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House Passes Trade Bill

*Kennedy Measure Enacted Intact
After Defeat of Substitute*

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Congressional Boxscore

MAJOR LEGISLATION IN 87th CONGRESS

As of June 29, 1962

Party Line-up

	<u>Dem.</u>	<u>GOP</u>	<u>Vacancies</u>
House Line-up	263	174	0
Senate Line-up	64	35	1

BILL	HOUSE		SENATE		STATUS
Welfare Revision (HR 10606)	Reported 3/10/62	Passed 3/15/62	Reported 6/14/62	Debate Scheduled	
Medical Care for the Aged (HR 4222) (S 909)	Hearings Completed			Debate Scheduled	
Public Works (HR 10113) (S 2965)	Reported 6/2/62		Reported 4/25/62	Passed 5/28/62	
Manpower Retraining (S 1991)	Reported 8/10/61	Passed 2/28/62	Reported 7/31/61	Passed 8/23/61	PL 87-415 3/15/62
Youth Employment (HR 10682) (S 404)	Reported 3/29/62		Reported 7/2/61		
Literacy Test Restriction (HR 10034) (S 2750)	Hearings Completed		Hearings Completed	Debate Suspended	
Aid to Education (HR 8890) (S 1021)	Reported 8/29/61	Rejected 8/30/61	Reported 4/12/61	Passed 5/25/61	
College Aid (HR 8900) (S 1241)	Reported 8/29/61	Passed 1/30/62	Reported 9/15/61	Passed 2/6/62	In Conference
Medical School Construction (HR 4999) (S 1072)	Reported 3/24/62		Hearings Completed		
Postal Rate Increase (HR 7927)	Reported 8/7/61	Passed 1/24/62	Hearings Underway		
Federal Pay Raise (HR 10480)	Hearings Underway		Hearings Underway		
Conflict-of-Interest (HR 8140)	Reported 7/20/61	Passed 8/7/61	Hearings Completed		
Omnibus Farm Program (HR 11222) (S 3225)	Reported 5/16/62	Recommitted 6/21/62	Reported 4/27/62	Passed 5/25/62	
Urban Affairs Plan (Plan No. 1)	Reported 2/15/62	Disapproved 2/21/62	Hearings Completed		
Welfare-Pension Plans (HR 8723)	Reported 8/18/61	Passed 2/7/62	Reported 9/8/61	Passed 2/7/62	PL 87-420 3/20/62
Mass Transit (HR 11158) (S 3126)	Ordered Reported		Approved by Subcommittee		
Wilderness System (S 174)	Hearings Completed		Reported 7/27/61	Passed 9/6/61	
Tax Revision (HR 10650)	Reported 3/16/62	Passed 3/29/62	Hearings Completed		
Corporate, Excise, Travel Taxes (HR 11879)	Reported 5/24/62	Passed 6/6/62	Reported 6/18/62	Passed 6/25/62	To President
Civil Defense (HR 10262)	Hearings Completed				
Reciprocal Trade Program (HR 11970)	Reported 6/12/62	Passed 6/28/62			
Foreign Aid Authorization (HR 11921) (S 2996)	Reported 6/7/62		Reported 5/28/62	Passed 6/7/62	
UN Bond Issue (HR 9982) (S 2768)	Hearings Underway		Reported 3/13/62	Passed 4/5/62	
Sugar Act Extension (HR 11730) (S 3290)	Reported 6/15/62	Passed 6/19/62	Reported 6/26/62	Passed 6/27/62	
Communications Satellites (HR 11040)	Reported 4/24/62	Passed 5/3/62	Reported 6/12/62	Debate Suspended	

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Floor Action

HOUSE PASSES PRESIDENT'S TRADE BILL, 298-125

The House June 28, by a roll-call vote of 298-125, passed the Trade Expansion Act of 1962 (HR 11970). Passage followed the defeat, on a 171-253 roll call, of a motion by Rep. Noah M. Mason (R Ill.) to recommit the bill with instructions that a substitute be reported back to the House extending the existing Trade Agreements Act for one more year. The negotiating authority under the existing Act, due to expire June 30, 1962, had been virtually exhausted, and the Mason motion therefore would have granted empty authority. The House Republican leadership announced support of the recommittal motion in the final moments of the two-day debate on the bill. A majority of the Republicans voted for recommitment. (For voting, see chart p. 1118)

House approval of the trade bill was the major legislative victory given President Kennedy in the second session of the 87th Congress. Mr. Kennedy had called the trade bill the most important piece of legislation before Congress in 1962. At a June 25 press conference, the President made another plea for approval of the bill and said that to adopt the Mason motion would amount to killing the Administration proposal. As a consequence, he said, the U.S. would "fall back and behind at a time when the Common Market in Europe is moving ahead." Following House passage, the White House issued a statement by the President, who said the House vote "reflects the national character of this legislation as well as its importance," and that he hoped for "early and successful" Senate consideration.

As passed by the House, HR 11970 was identical to the form of the bill reported by the Ways and Means Committee with the exception of a committee amendment adopted by voice vote on the House floor. The Committee had considerably revised the bill, but made no deep inroads on the authorities sought by the President. The bill gave the President unprecedented tariff-cutting authority. It gave him general authority to reduce tariffs by 50 percent, special authority to reduce tariffs by as much as 100 percent on goods of which the U.S. and the European Common Market together accounted for 80 percent of free world trade, to eliminate tariffs on certain tropical commodities and on goods on which the existing tariff was 5 percent or less. It provided procedures for raising tariffs on goods where a cut was found to have injured an entire industry, but it also authorized, for the first time, the alternative of Government aid -- "adjustment assistance" -- to injured businesses and workers. The aid could take the form of cash payments and retraining and relocation allowances for unemployed workers, and technical assistance, loans and loan guarantees and tax benefits to businesses. Government aid could be in place of or in addition to a tariff increase. (For details of the Committee bill, see Fact Sheet, Weekly Report p. 927)

The committee amendment accepted on the floor provided that Congress could override a Presidential decision not to raise tariffs, despite a recommendation by the Tariff Commission for an increase, by a majority

vote if recommended by the Ways and Means Committee. The Committee originally had voted to continue the existing authority for a two-thirds vote on a veto resolution that any Member could bring up on the floor -- a power that had never been invoked by Congress. The committee amendment was sponsored by Rep. Howard H. Baker (R Tenn.)

FLOOR AMENDMENTS BANNED

The bill was debated under a closed rule, barring all but committee amendments from the floor -- the traditional procedure for House trade bill debates. Under a closed rule, the only opportunity to change the pending bill is through instructions in the recommittal motion. Mason, always an ultra-protectionist, exercised his prerogative as senior minority member of the Ways and Means Committee to make the recommittal motion.

Rep. John W. Byrnes (R Wis.), next in seniority to Mason on the Committee and chairman of the House Republican Policy Committee, had requested a rule allowing a separate vote on an amendment by him and Rep. A. Sydney Herlong (D Fla.), cutting the adjustment assistance from the bill. Sponsors of an amendment to restrict oil imports had also sought permission for a vote on their amendment. But the closed rule was adopted 8-7, with only pro-Administration Democrats supporting it. No fight was made on the floor, however, to overturn the rule. It was adopted by voice vote June 27 after only token debate.

REPUBLICAN POSITION

The situation of the closed rule, with the Mason motion the only alternative to approving or killing the Administration bill, posed a dilemma for Republicans, such as Byrnes, who were "moderate" on the trade issue. Byrnes had voted to approve the Committee bill.

The question of whether the U.S. should have a relatively liberal reciprocal trade policy had always crossed party lines. The policy was urged by Republican President Dwight D. Eisenhower, and General Eisenhower endorsed the principles, if not all of the details, of the Kennedy bill. Furthermore, a liberal trade policy was backed by a wide assortment of business interests, causing a split between Republicans with industrial constituencies and the traditional isolationist-protectionists.

The Republican Policy Committee met June 26, the day before the trade bill debate opened, but did not attempt to form a party position on the bill. GOP Ways and Means members Baker and Thomas B. Curtis (Mo.) openly opposed the Mason motion, but the positions of Byrnes and Minority Leader Charles A. Halleck (R Ind.) were not known until the debate neared its close.

In the next-to-last speech after two days of debate, Byrnes urged support of the Mason motion and announced that if this failed, he would support passage of the bill. In this way, Byrnes said, the trade issue would be kept

alive, allowing the Senate to rewrite the Administration bill, but Members would have an opportunity to "protest" against sections of the bill they disliked and the denial of an opportunity to change them. Byrnes said no piece of legislation in the last several years "has given me more sleepless nights" in trying "to arrive at a sound answer." He said he could accept neither the "extravagant claims" of some of the bill's supporters nor the proposition that there should not be further negotiations. His basic objection to the bill, he said, was to "the philosophy that whole industries are expendable" instead of the prior philosophy that industries should not be hurt through tariff negotiations.

Giving the final speech of the debate, Speaker John W. McCormack (D Mass.) said a vote for the Mason motion "would be a vote of no confidence in the Ways and Means Committee...and in a sense would be an abdication at least of our own responsibility as a co-equal body." Halleck gained brief recognition to urge support of the Mason motion "as a protest against some of these provisions," but did not specify which ones.

Ways and Means Committee Chairman Wilbur D. Mills (D Ark.) urged the House to be as jealous of its prerogatives on the trade issue as it had been on others, reminding Members that the trade bill, as a revenue measure, must originate in the House. "I feel certain," Mills said, that Republicans "would not say that we should send over a one- or two-line bill and trust the other body to write it."

Once the Mason motion was defeated, House Members were left with the choice of approving the Administration bill as revised by the Ways and Means Committee, or killing trade legislation altogether. This put fewer Members from both parties in the protectionist camp.

VOTE ANALYSIS

The voting on the two roll calls showed not only that the Republicans were more divided on this than on most other issues, but also that the Administration had succeeded in winning the votes of many Democrats who might have been expected to vote against the trade bill. Several Southerners representing protectionist textile interests -- notably Reps. Carl Vinson (D Ga.) and W.J. Bryan Dorn (D S.C.), leaders of the textile bloc -- voted for the Administration position, as did some Northerners representing coal mining and other protectionist interests. Democrats representing the oil and gas states of Oklahoma and Texas were about evenly split as usual.

The party breakdowns on the Mason recommittal motion were 127 Republicans for, 43 against; 44 Democrats for, 210 against. Of the 44 Democrats, 37 were Southerners. On passage, 80 Republicans voted for the bill and 90 against; 218 Democrats voted for and 35 against. Of the 35 Democrats, 23 were Southerners.

Some of the bill's backers in Congress and the Administration had been prepared up until the last minutes to pare down the adjustment assistance provisions in order to gain additional support, should that prove necessary. At the same time, AFL-CIO spokesmen were warning that any such move might jeopardize the organization's support for the bill.

Except for the final statements by McCormack, Halleck and Byrnes, the large portion of the eight hours of debate extending over two days was lackluster and ill-attended. Most of the bill's supporters echoed arguments that had been made for the bill from the outset: that the

negotiating authority was needed to meet the challenge of the developing Common Market and give U.S. negotiators tools for making beneficial trade bargains with the EEC; it would result in a net increase in exports, which would both spur the domestic economy and offset the deficit in the balance of payments; it would give the President power to seek markets for underdeveloped nations not given special consideration by the Common Market; it would contribute to allied unity. They also repeatedly reminded Republicans of the traditional bipartisan support for liberal trade legislation.

Opponents' arguments ranged from staunch protectionism to objection -- in part or totally -- to the trade adjustment section. Here, the attack centered on provisions giving workers unemployed because of increased imports resulting from tariff cuts under the Act higher and longer unemployment benefits than those granted any other unemployed workers.

Mason argued that reciprocal trade legislation had never fulfilled the promises of its supporters and that Congress should reassume responsibility for tariff levels, working through the Tariff Commission. Rep. Charles E. Goodell (R N.Y.), a sponsor of the manpower retraining bill passed earlier in 1962, argued that the adjustment assistance provisions would "create a very horrible mess" by "setting up a new class of privileged unemployed workers." (Goodell voted for the Mason motion.)

Rep. John V. Lindsay (R N.Y.), on the other hand, argued that the tariff cutting power under the bill "must be given a chance to work," and that it would not work "if we do not provide the necessary escape valve in the bill" against pressures by management, labor and Congress to help "any industry in jeopardy."

Touching on a Republican 1962 election campaign theme, Rep. James B. Utt (R Calif.) said the bill would give the President "absolutely dictatorial, arbitrary and capricious power" to destroy American industries.

SUGAR BILL

The Senate June 27 passed by a roll-call vote of 76-2 and sent to conference with the House an amended bill (HR 12154) to extend the Sugar Act through June 30, 1967, provide new quotas for domestic sugar producing areas and establish a new system of obtaining sugar from foreign countries. (For voting, see chart p. 1117)

As it passed the Senate HR 12154 differed from the House version passed June 19. (Weekly Report p. 1050) It followed Administration recommendations for a system under which the sugar reserved for Cuba, but purchased from other countries pending resumption of friendly relations, would be allowed to enter the country only after payment of an import fee equal to the difference between the domestic market price of sugar and the lower world price. (For full Administration proposals, see Weekly Report p. 858) The quota sugar purchased from countries currently holding U.S. sugar quotas would become subject to the import fee over a five-year period (except for sugar from the Philippines).

In addition, the Senate provided a new quota of 10,000 tons of refined or raw sugar which the Secretary of Agriculture could allot at his discretion. During debate, Sen. Robert S. Kerr (D Okla.), sponsor of the committee amendment, said that the new quota was intended for Ireland. As it had passed the House, HR 12154 contained quotas for 30 countries (including the Philippines and Cuba) -- compared to the 16 in the expiring law and in

the Senate bill -- and failed to include the proposed import fee. (See chart, Weekly Report p. 1052) Other major differences between the House and Senate versions:

Cuban quota. The House set aside a quota of 1.5 million short tons for Cuba, pending resumption of friendly relations; the Senate followed Administration recommendations in providing approximately 2.58 million tons.

Non-quota sugar. The House indicated how much of the re-assigned Cuban quota could be purchased from specified countries; the Senate proposed to let all friendly countries bid for a share.

Philippines quota. The House established a quota for the Philippines of 1,050,000 short tons; the Senate proposed a quota of 980,000 short tons.

Refined sugar imports. The House voted to eliminate all of the 375,000 tons of refined sugar formerly allowed to enter under the Cuban quota; the Senate proposed to license entry of 250,000 tons.

Suspension of quotas. The House gave the President discretionary authority to suspend the quota of any country which discriminated against local American sugar interests or which expropriated or nationalized any American-owned property without making adequate compensation; the Senate did not. (The Administration had not requested the authority.)

Dominican payments. The House but not the Senate authorized payment to the Dominican Republic of \$22,755,153.67, the amount of fees charged against entry of non-quota sugar purchased from the Dominican Republic between September 1960 and the end of March 1961, in cooperation with action taken by the Organization of American States against Dominican dictator Trujillo.

Market growth. The House approved the Administration's proposal to give 63 percent of market growth above 9,700,000 short tons (current annual requirement) to the domestic beet sugar and mainland cane sugar areas, and to set aside 50,000 tons of this amount to establish an acreage reserve which would be distributed to new beet sugar farmers. It was estimated that this would provide for the construction of one additional sugar beet factory a year. The Senate adopted two committee amendments proposed by Kerr and Clinton P. Anderson (D.N.M.) which raised the domestic producers' share of market growth to 65 percent and set aside 65,000 tons for new growers in order to provide for four factories every three years. The Senate version contained language allowing the reserve to accumulate and requiring that it be distributed so as to assure building of new factories.

Additional changes made by the Senate -- all by voice vote -- were to define "alcohol" as including polyhydric alcohols, in the section of the Sugar Act which exempts from quotas any sugar used in the manufacture of alcohol (a committee amendment); to require the Secretary of Agriculture to make adjustments in the over-all national quota whenever necessary to protect consumers from excessive prices (offered by Thruston B. Morton (R Ky.); and to provide special consideration to countries in the Western Hemisphere and countries purchasing U.S. agricultural commodities in authorizing of non-quota sugar obtained to replace the Cuban quota (offered by Frank Carlson (R Kan.))

The Senate agreed to strike from HR 12154 as reported by the Committee a graduated scale of reductions in the direct payments made by the Department of Agriculture to domestic producers. The provision had been adopted by the Finance Committee June 25. Opposition from Senators who complained that cane sugar producers

in particular would be "crippled" by the reduced scale of payments led the Committee to recommend June 27 that it be dropped, however.

The Senate rejected on a 29-57 roll call an amendment by Eugene J. McCarthy (D Minn.) which would have required producers to pay sugar field workers at least the national minimum wage rate prescribed by the Fair Labor Standards Act (currently \$1.15 an hour).

McCarthy withdrew another amendment which he had offered as a compromise between the position taken by the House in allocating all foreign sugar to specific countries, and the position taken by the Senate in allowing purchase of most of the foreign sugar from any friendly country which submitted a favorable bid. The amendment would have assigned some sugar to every country which provided non-quota sugar in 1961-62, and would have increased the quotas of the historical quota countries. The Cuban share would have been about 1.5 million tons, and would have been subject to an import fee while the remainder was not.

During debate, Paul H. Douglas (D Ill.) said that he would support the Senate bill because it contained the import fee proposal which he had introduced unsuccessfully in 1961. (Weekly Report p. 801) But he assailed the Sugar Act as "one of the most costly measures ever passed...from the standpoint of the consumers." He said that the combination of higher-than-world-market prices for raw sugar and the federal payments to domestic producers, financed by an excise tax, cost consumers approximately \$625 million a year in "subsidies" to domestic and foreign sugar producers. He said that the total costs of these subsidies between 1948 and 1962 exceeded \$4 billion. Douglas said that the import fee, which would "recapture" the premium paid to foreign sugar producers, was a step in the right direction, particularly since it seldom benefitted the foreign sugar workers.

J.W. Fulbright (D Ark.), who with Douglas sponsored the import fee in 1961, said that it represented "the one merit of the Senate bill." Fulbright and Albert Gore (D Tenn.) were the only Senators who voted against passage of HR 12154.

(During House debate on the sugar bill June 18, Rep. Harold D. Cooley (D N.C.), chairman of the House Agriculture Committee, which writes sugar legislation, said that removal of the premium price paid to foreign producers through an import fee would draw attention to the subsidy payments made by the Government to U.S. producers, with the result that "those payments would stand up like a sore thumb and would be difficult for us to justify.")

Fulbright said that lobbyists for foreign sugar interests had been "as thick as flies" on Capitol Hill. He said some of them were to be paid on the basis of the amount of sugar which Congress assigned to the countries they represented. Fulbright said that if the Administration were defeated on the sugar bill, countries might turn to lobbying in other areas, such as military or economic foreign aid, and "the prestige of our nation" would "be severely dimmed."

BACKGROUND -- The Senate Finance Committee June 26 reported HR 12154, amended (S Rept 1631), after holding hearings June 20-23. Highlights of testimony:

June 20 -- Spokesmen for the Departments of State, Agriculture and the Treasury "vigorously" opposed the foreign quota provisions of HR 12154 as passed by the House, and urged the Committee to adopt the foreign provisions of the Administration bill (S 3290).

G. Griffith Johnson, Assistant Secretary of State for

Floor Action - 4

Economic Affairs, told the Committee that the Administration "considers it of critical importance that the Cuban quota not be reduced below" 2.58 million tons because "the reduction contained in the House bill would serve to support Castro's contention that Cuba's future lies with the Communist bloc." He added that there was "no justification for continuing to subsidize foreign sugar producers" through payment to them of the high domestic price. He also opposed House action in eliminating the Administration proposal to allow entry of 250,000 tons of refined sugar, and in attempting to "affect the behavior of other governments" by providing for suspension of quotas in case of expropriation of American property.

John M. Leddy, Assistant Secretary of the Treasury, said that the proposed import fee would "contribute directly to our balance of payments objectives" and help to stop the outflow of gold reserves from the country. He said that it would bring \$130 million to \$160 million a year into the Treasury.

Charles S. Murphy, Under Secretary of Agriculture, said that the import fee would "provide better assurance of sugar supplies when and as we need them" because purchases would be allowed from any friendly country with sugar to sell, rather than limited to selected ones. And it would "avoid discrimination by the United States among various (sugar producing) nations with which it has foreign relations" by relieving the Government of having to make quota and non-quota purchase allocations. Murphy also invited the Committee to add language to the domestic provisions of HR 12154 (substantially the same as the Administration proposals) which would guide the Secretary of Agriculture in administering a provision which set aside 50,000 tons for distribution each year to new beet sugar producing areas in the U.S.

June 21 -- The Committee heard testimony from representatives of the domestic sugar industry supporting the domestic quotas proposed by the Administration and contained in HR 12154, and from representatives of beet sugar farmers in areas wishing to expand their production and seeking a larger share of the market growth (set by HR 12154 at 63 percent for all domestic areas. Domestic beet areas would receive approximately 75 percent of this, or about 77,000 short tons each year.)

Carroll Weedlun, a farmer from Minden, Neb., representing a group seeking increased acreage, said that he could net \$70 an acre on sugar beets compared to \$35 on corn, and that the beet field after harvest was twice as valuable as a corn field for grazing livestock.

Sidney Zagri, representing the International Brotherhood of Teamsters, said that the Sugar Act had benefitted producers and consumers but did "nothing for the sugar worker." He asked the Committee to require that sugar field workers be paid at least the national minimum wage.

June 22-23 -- The Committee heard representatives of foreign sugar producing interests and countries which sought sugar quotas and opposed the import fee, including Mexico, Peru, India, Mauritius, British Honduras, Fiji Islands, Brazil, the Philippines, Colombia, South Africa, Dominican Republic, Australia, Nicaragua and Ireland. The Committee ordered all sugar lobbyists to file a statement of their agreements with their principals, including any fees which they were to receive as a result of lobbying on the Sugar Act.

The Dominican Republic's representative said that income from sugar exports was essential to keep the country from economic collapse, which might be followed by a Castro-style revolution.

MILITARY CONSTRUCTION

The Senate June 21 passed by voice vote and sent to conference with the House a bill (HR 11131) authorizing \$1,450,692,000 in fiscal 1963 for construction at military installations in the United States and abroad, and for construction of military family housing. The Senate made no changes in the bill as reported.

Of the total, \$1,444,662,000 represented authorization for new projects, and \$6,030,000 was a "deficiency" authorization to increase spending ceilings on projects authorized in previous years and not yet completed. The sum was \$73,505,000 less than was authorized by the House, which passed HR 11131 April 16, \$145,718,000 less than originally requested by the Department of Defense, and \$191,224,000 less than revised requests submitted by the Department. (Weekly Report p. 623)

During debate, Henry M. Jackson (D Wash.) said that the Senate Armed Services Committee had made cuts where "a compelling military necessity did not appear to exist."

BACKGROUND -- The Senate Armed Services Committee June 14 reported HR 11131 (S Rept 1594) with a committee amendment in the nature of a substitute. The report said the amended bill embodied changes requested by the Department of Defense and others approved by the Committee. The report said the amended bill embodied changes requested by the Department of Defense and others approved by the Committee. The report criticized the Department for asking over \$45 million for new projects after hearings "were well underway." It said the Committee had voted to allow the Department in the future no more than 15 calendar days after a military construction bill had been submitted to Congress in which to make any changes.

The House had disallowed a Department request for \$95 million of "emergency construction" authorization: \$15 million for each service and \$50 million for the Office of the Secretary. Instead, the House authorized \$10 million for each service, for a total of \$30 million. The House Armed Services Committee in reporting HR 11131 had criticized the Department for using \$825,000 of the "emergency construction" funds to build a Defense Supply Agency facility. The Senate Committee concurred in the views of the House Committee, but allowed \$12.5 million to each of the services and to the Office of the Secretary, for a total of \$50 million.

The Committee approved Title IV of the bill as submitted by the Department. Relating to funds for the five defense agencies set up under the Secretary of Defense, the provision had been deleted by the House, which redistributed funds totaling \$33,915,000 among the services. The House Committee said that the action had been taken because the Department "should confine its activities to policymaking and not attempt to duplicate the operating functions of the military departments." The Senate report said that the provision reflected "good management and good budget practices." The Committee allowed \$33,650,000.

The Committee approved \$260,226,000 to build 13,567 units of family housing. The Department had requested \$314,421,000 for 16,653 units. The House approved \$311,451,000 for 16,503 units.

The House had deleted a Department request for a military family housing revolving fund, to be financed from servicemen's family quarters allowances and certain other sources. The Senate Committee approved

instead a family housing management fund, from which disbursements would be made only when specifically appropriated by Congress. The fund would receive all amounts appropriated for construction, acquisition, replacement, addition, alteration, leasing, operation and maintenance of family housing.

PROVISIONS -- As passed by the Senate, HR 11131 authorized these funds:

Army	\$ 145,942,000
Navy	209,112,000
Air Force	736,732,000
Defense Agencies	46,150,000
Military Family Housing	260,226,000
Reserve Forces	46,500,000
Deficiencies	6,030,000
TOTAL	\$1,450,692,000

APPROPRIATIONS

With action on all pending appropriation bills still stalemated by bitter procedural disagreements between the House and Senate Appropriations Committees (Weekly Report p. 1061), the House June 28 passed by voice vote and sent to the Senate a bill (H J Res 769) permitting Government agencies to meet their financial commitments for the fiscal year beginning July 1 (fiscal 1963). The Senate June 28 also passed the bill, clearing it for the President's signature.

No bill appropriating funds for fiscal 1963 has yet been cleared by Congress and only six of the expected 13 appropriation bills have received action in either house. (See chart p. 1106) In recent years Congress has failed to clear some of the regular appropriation bills by the July 1 deadline and has had to pass "continuing" appropriations similar to H J Res 769, but it has never before fallen so far behind.

H J Res 769 permitted Government agencies to continue projects and activities carried on in the expiring fiscal year at a level of expenditure corresponding to the lowest level set by (1) the fiscal 1962 appropriation, (2) the budget request, if the fiscal 1963 bill had not been passed by the House, or (3) the more restrictive figure set by the House or Senate in passing a fiscal 1963 bill. The spending authority would expire on July 31, 1962.

No activity that was not carried on in fiscal 1962 could be funded under the resolution. This left in abeyance projects, such as the proposed U.S. pavilion at the New York World's Fair, which were to receive their first appropriation in the stranded Second Supplemental Appropriation bill for fiscal 1962 (HR 11038). This \$500 million bill had been passed in different form by the House April 4 and the Senate April 16 but was never taken to conference because of the Committees' feud. (Weekly Report p. 625)

Attempts by both the House and Senate to rescue some of the most urgently needed funds in HR 11038 also foundered. The House June 14 passed a bill (H J Res 745) appropriating \$133,259,929 in supplemental funds. The Senate June 23, acting on the recommendations of its Appropriations Committee (S Rept 1617), raised the total in the bill to \$277,222,429. Committee members expressed the hope that the House would accept the Senate figure rather than demand that the bill go to conference. The House Appropriations Committee, however, refused to take any action on the Senate version and, instead, June 28 reported out the "continuing" appropriation bill for fiscal 1963.

PROVISIONS -- The supplemental funds in H J Res 745 as passed by the Senate and House:

	Senate	House
Agriculture Dept.	\$ 37,425,000	\$ 37,425,000
Commerce	15,434,000	200,000
Disaster relief	25,000,000	-----
HEW Dept.	96,266,000	80,385,000
Independent Offices	94,353,000	9,353,000
Interior	3,145,000	3,145,000
Judiciary	300,000	300,000
Justice	1,276,000	1,176,000
Legislative Branch	147,500	-----
State Department	2,500,000	-----
Treasury	1,275,929	1,275,929
TOTAL	\$277,122,429	\$133,259,929
Indefinite appropriation	(100,000)	-----
	\$277,222,429	\$133,259,929

The Senate and House versions of H J Res 745 were alike in providing funds for: the Agriculture Department's Marketing Service and Forest Service; Commerce's Coast and Geodetic Survey; HEW's Indian health activities, St. Elizabeths Hospital and \$80 million for public assistance grants to the states; \$5,303,000 to the General Services Administration; \$50,000 to the National Mediation Board; \$4 million to the Veterans' Administration for medical care; funds for land management, park service and Indian Affairs in the Interior Department; payments for jurors, witnesses, prisoners and prison officials; funds for Treasury payments of claims and judgments and U.S. Secret Service salaries.

The Senate added \$143,962,500 to the House total and authorized an additional \$25 million to the Farmers Home Administration for farm operating loans. The largest new items were: \$85 million for the Small Business Administration's loan fund; \$25 million for the President's disaster relief fund, to be used in storm-damaged areas; \$15,707,000 to HEW's Office of education to provide sufficient funds to pay the full entitlement of school districts in federally "impacted" areas for maintenance and operation of schools; and \$15 million for planning and construction of a U.S. pavilion at the New York World's Fair, scheduled to open April 21, 1964.

In recommending the higher total, the Senate Committee said the House version was "inadequate to meet the pressing needs of many programs and activities." The floor manager of the bill, Sen. Spessard L. Holland (D Fla.), said June 23 that the Senate Appropriations Committee had "tried to add items which we believed to be so urgent that they will receive the approval of our brethren at the other end of the Capitol."

RELATED DEVELOPMENT -- June 23 -- Senate Majority Leader Mike Mansfield (D Mont.), speaking in the Senate on the House-Senate Appropriations Committee feud, suggested that the whole question of conferences between the House and Senate and not merely the question of Appropriations Committee conferences "be examined in the leisure of adjournment by bipartisan groups from both houses." He said "the interest of the entire Congress and the nation would be served in the interim" if the two Committees would proceed as they had in the past, "without prejudice to any claim which may be made for subsequent adjustment in protocol or procedure."

House Majority Leader Carl Albert (D Okla.) suggested a temporary solution that the senior member on each joint conference group preside at conferences.

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NATIONWIDE VACCINATION

The House June 26 passed by voice vote and sent to the Senate an Administration bill (HR 10541) authorizing \$14 million in fiscal 1963 and \$11 million in each of the two succeeding years for grants to the states for vaccination programs against polio, diphtheria, whooping cough and tetanus. In addition, the bill provided for federal payment of salaries of state health personnel carrying out planning, promotional and laboratory surveillance activities of the program.

Before passing the bill the House by voice vote rejected an amendment offered by Rep. Peter H. Dominick (R Colo.) to strike the provision for payment of professional salaries, and an amendment by Rep. John H. Kyl (R Iowa) to extend immunization coverage to "any other disease the Surgeon General may determine."

During debate on the bill, Congressmen objected that it extended federal authority to an area of state jurisdiction. Dominick said it injected "directly into the local government the Federal Government, through its arm of the Public Health Service, by payment of the salaries of those local personnel who may be active in a campaign in that area." He said the funds might be used by local communities "as an excuse for hiring additional personnel whom they may need for other community planning" and objected that the bill provided for outright, instead of matching, grants.

Rep. John J. Rhodes (R Ariz.) agreed that "this is a problem for the states to deal with and one which they can meet and one which they have shown that they had the desire and the ability to meet."

In response to the opposition, Rep. Oren Harris (D Ark.), floor manager of the bill, said the customary state matching program was unsuited to the needs of the vaccination program provided in HR 10541 because it would tend to delay initiation of the program pending approval of expenditure of state funds by state legislatures, and it could lead to "serious" administrative complications. He said the state matching program was replaced by the requirement that state and local agencies provide services and materials necessary to implement the immunization programs.

Harris said the legislation was urgently needed because two-thirds of the nation's children under five years of age had not been vaccinated against the four diseases. He said the large number of unvaccinated people represented "a community health hazard because any such group contains the potential of an epidemic outbreak." Those not immunized, he said, were mainly from lower income groups who "are not reached by the usual type of health program."

Another advantage of the legislation, he said, would be protection against tetanus and diphtheria in times of national emergency. A wounded person who was not vaccinated could contract tetanus, he said, and "in bomb shelters crowded living conditions are conducive to diphtheria." In addition, he said, "experience gained from conducting such intensive community programs would be of much value in case of an emergency."

Rep. William L. Springer (R Ill.) said at the end of the three-year period specifically covered by the program continuing vaccination programs would probably be financed by funds available under the Social Security Act for distribution by the Secretary of Health, Education and Welfare for maternal and child health services.

Rep. Leonor K. Sullivan (D Mo.) suggested that the bill should include a provision for standby authority to extend its coverage to diseases other than the four mentioned if the Surgeon General determined that other diseases presented a major health problem. She said the standby authority "can not do any harm if no great immunization breakthrough should occur during the life of this proposed law -- this provision would just be inoperative." She said, however, that if a vaccine such as the Salk polio vaccine should come into existence, there would be "flexible machinery to cope with it...."

BACKGROUND -- HR 10541 was reported with amendments (H Rept 1835) June 18 by the Interstate and Foreign Commerce Committee. (Weekly Report p. 1070)

During May 15 and 16 hearings on the bill it was supported by representatives of the Health, Education and Welfare Department, the Assn. of State and Territorial Health Officers, the American Public Health Assn., the AFL-CIO and the American Medical Assn.

PROVISIONS -- As passed by the House, HR 10541, the Vaccination Assistance Act of 1962:

Authorized appropriations of \$14 million in fiscal 1963 and \$11 million in each of the two succeeding years for grants to the states for part of the cost of vaccination programs against polio, diphtheria, whooping cough and tetanus.

Provided that the Surgeon General could distribute funds directly to local agencies with the approval of the state health authority.

Directed that funds were to be used for purchase of vaccines for children under five years of age and others not covered by school vaccination programs, and for salaries and expenses of state and local health personnel carrying out planning, promotional or laboratory surveillance activities of the program.

Defined an intensive community vaccination program as one conducted during a given period of time, designed to protect all, or practically all, susceptible persons in a community against the four diseases and including plans looking toward the strengthening of ongoing community immunization programs.

Stipulated that the programs set up by the bill would not require any person objecting to immunization to be immunized or to have a child or ward immunized.

Authorized payments in the form of vaccines, rather than money grants, if requested by the applicant.

Directed applicants for grants to assure the Surgeon General that upon receipt of the grants they would provide physicians with enough vaccine to reasonably immunize eligible patients.

Authorized the Surgeon General, at the request of the state, to reduce grants by the amount necessary to pay travelling expenses of Public Health Service personnel whose services were requested by the state for activities under the act.

Provided that receipt of funds under the act would not restrict use of funds for the same purposes provided under the Social Security Act.

AMENDMENTS REJECTED

June 26 -- Peter H. Dominick (R Colo.) -- Strike the provision for payment of salaries and expenses of state and local health personnel carrying out planning, promotional or laboratory surveillance activities under the program. Standing vote, 25-37.

John H. Kyl (R Iowa) -- Provide that provisions for immunization could be extended to cover any other disease the Surgeon General might determine. Voice.

REACTIONS TO HOUSE DEFEAT OF ADMINISTRATION FARM BILL

House defeat June 21 of the Administration's farm bill (HR 11222 -- see Weekly Report p. 1049) brought political reactions that made more difficult adoption of revised legislation that could win majority support in both houses of Congress. Although the House, in recommitting HR 11222 by a 215-205 vote, rejected the President's supply-management programs for wheat, corn and other feed grains, the Senate, in passing its bill (S 3225) May 25, approved the controls. If the House should pass a new Administration bill introduced June 22 (see below), compromise legislation worked out in conference with the Senate might salvage part of the controls program, particularly the less controversial wheat provisions.

Republicans in both chambers voted almost unanimously against the Administration's program; only Sen. Milton R. Young (R N.D.) and Rep. Phil Weaver (R Neb.), who was defeated in a primary election May 15, voted for the legislation. (See charts, Weekly Report p. 952, 1080)

The GOP stand led Secretary of Agriculture Orville L. Freeman to say June 22 that "the American farmer and the American taxpayer will not soon forgive the Republican Party for its blind opposition to every farm bill except (former Secretary of Agriculture Ezra Taft Benson's)." Freeman again called attention to a letter written by Martin Sorkin, a former employee of the Department under Benson, which said that Republican leaders had decided in a 1961 conference that "it was not the responsibility of the Republicans to propose solutions, but to criticize the Administration wherever feasible." The Sorkin letter had been an issue in the debate on the farm bill.

Freeman indicated that he would continue to seek supply-management controls for wheat and feed grains in the future. "If you lose a battle, the war doesn't end," he said.

Rep. Victor Wickersham (D Okla.) reported that President Kennedy had told him June 22 that the farm bill vote showed that "Republicans are obstructionists."

James G. Patton, president of the National Farmers Union, which supported HR 11222, said June 24 that the defeat indicated that "profiteering and pure political chicanery are still guiding Republican-Farm Bureau farm policy."

House Minority Leader Charles A. Halleck (R Ind.) June 22 denied Freeman's charges that Republicans had voted against the bill because of party discipline. "I want to make clear that we never took a negative position," Halleck said. "The Administration bill was thoroughly bad." Halleck predicted that the defeat would help the Republican party in the 1962 elections.

Former President Dwight D. Eisenhower June 22 applauded the action of House Republicans in defeating "the legislative monstrosity that was based upon a ruthless concept of ruling or ruining American agriculture."

Charles B. Shuman, president of the American Farm Bureau Federation, called defeat of HR 11222 "a victory for farmers, consumers and taxpayers."

New Farm Bill

Chairman Harold D. Cooley (D N.C.) of the House Agriculture Committee June 22 introduced a new farm bill (HR 12266) after conferring with Secretary Freeman.

The new bill retained the Food for Peace provisions of Title II of HR 11222, and a modified version of the land-retirement provisions of Title I. (Weekly Report p. 884) But it abandoned supply-management programs for wheat and feed grains, proposing instead to extend the current temporary programs through 1963. These pay farmers who voluntarily retire land from wheat or feed grain production. The programs were voted by Congress in 1961, first as emergency legislation covering only the 1961 feed grain crops, then for the 1962 feed grain and wheat crops after the Administration's supply-management control program failed to get out of committee. (1961 Almanac p. 118, 104) The 1961 bills were opposed by a large majority of Republicans (though in 1962 the House GOP substitute for the Administration's bill proposed extension of the programs).

It was estimated that the new bill, if passed, would lead to costs in 1963 of about \$2.4 billion, some \$600 million more than the programs in HR 11222, but about \$400 million less than the permanent programs in existing law. (These programs provide price supports without controls for corn and other feed grains, and contain a national minimum wheat acreage of 55 million acres, about 20 percent more than is currently needed.)

Committee discussion of HR 12266 began June 25, with Republicans pressing for a commitment that if the bill were sent to conference with the Senate, Democratic leaders would stand firm against the strict control features of the Senate bill.

Sen. Allen J. Ellender (D La.), chairman of the Senate Agriculture and Forestry Committee, said June 22 that he would not under any circumstances try to put an extension of the 1962 wheat and feed grains programs through the Senate. (Ellender had successfully led a floor fight to include only supply-management programs in the Senate farm bill.)

RELATED DEVELOPMENT -- President Kennedy June 15 signed into law a bill (S J Res 198) deferring the proclamation of a national wheat acreage allotment from June 15 to July 15. The Senate passed the measure June 11, also authorizing the Secretary of Agriculture to defer proclamation of marketing quotas until July 15, and a referendum on them until Aug. 25. The House June 13 deleted the language pertaining to marketing quotas and the referendum, and the Senate June 14 concurred in the House action.

Freeman June 26 proclaimed a national wheat acreage allotment of 55 million acres, and ordered a July 24 referendum on marketing quotas. The allotment was based on the minimum in current law, set in 1938. A minimum national average price support of 75 percent of parity (\$1.82 a bushel) -- the lowest authorized by the current law -- was set.

Freeman said that he was taking the action "with the greatest reluctance and only because there is no alternative under existing legislation." He said that the announcement could be rescinded if Congress should take action this year affecting the 1963 wheat crop.

Factors in House Defeat

The June 21 defeat of the House bill came when 48 Democrats cast their votes with the nearly unanimous Republican opposition. A small part of the Democratic opposition was from city Members traditionally opposed

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to farm legislation but the bulk was from Members from livestock and dairying areas who opposed the feed grains controls in the bill. Efforts by the bill's sponsors to lessen these controls failed to win over enough opponents to save the bill (a switch of five votes on the recommittal motion plus a tie-breaking vote by the Speaker would have passed the bill).

Speaking against the feed grains controls program, the GOP Whip, Leslie C. Arends (R Ill.), charged that the program would, "over a period of time, boost consumer costs, first by reducing feed grains supplies which would, in turn, mean less and more expensive meat, eggs, poultry and dairy supplies." "What disturbs me most about this bill," Arends added, "is the mischief it will work in the Midwest -- in the corn-hog-cattle operations of hundreds of thousands of family farm people who, up to now, have been relatively free of Government controls....For the first time they will be told how much feed grain they can produce....For many of our farmers this is the equivalent of being told how many cattle and hogs they can feed."

In answer to the charge of "regimentation," Majority Leader Carl Albert (D Okla.) pointed out that no controls would go into effect unless two-thirds of the farmers affected agreed to accept them. W.R. Poage (D Texas), vice-chairman of the House Agriculture Committee, said that "the livestock industry has a greater stake in stabilizing feed grain supplies than any other segment of American agriculture" because grain surpluses would be "converted into surpluses of livestock" and livestock prices would fall.

Two approaches to eliminating no controls were taken by opponents of the bill: a GOP substitute for the commodity section of HR 11222 (Title IV), offered by Rep. Charles B. Hoeven (R Iowa), would have extended, with some changes, the current temporary programs for wheat and feed grains, under which the Government pays producers who agree to reduce their planted acreage by a specified amount. Feed grains producers who did not wish to have price supports would not have to reduce their planted acreage at all. The Hoeven substitute also eliminated HR 11222's temporary program of payments to dairy farmers who agreed to reduce their sales of milk and dairy products. It would have allowed farmers who took all of their wheat or feed grains acreage out of production to buy grains from the Commodity Credit Corporation, which manages price support programs and surpluses, at low prices for use or resale. The amendment was defeated June 21 on a 122-224 standing vote.

The other approach was to loosen the proposed feed grains controls. The Administration agreed to several amendments to loosen the controls but opponents said that they did not go far enough.

The Administration's amendments to the feed grains controls included: an exemption permitting farmers who had grown feed grains for silage during the base years of 1959 and 1960 to exclude such acreage from their feed grains base (from which acreage allotments would be figured) and to plant the full amount; and increase in the "small farm" feed grains provision (which permitted farmers to plant their entire base acreage in lieu of receiving price supports) from 25 acres to 40 acres; full exemption of oats from controls; and permission to farmers of other crops under acreage allotments (wheat, rice, tobacco, peanuts and cotton) to plant feed grains when adverse weather conditions prevented planting of crops for which allotments had been made.

The 40-acre provision, sponsored by W. Pat Jennings (D Va.), and the oats exemption, sponsored by D.R. (Billy) Matthews (D Fla.) were adopted. However, in place of the silage provision (also sponsored by Jennings) the House adopted by a 123-84 standing vote a much freer amendment, sponsored by Roy A. Taylor (D N.C.), which would have permitted farmers to exempt all feed grains grown for silage from controls. This exemption had particular appeal to dairy farmers and to livestock breeders. The Taylor amendment would have allowed any farmer to grow as much grain for silage as he desired, while the Jennings amendment would have limited the exemption to farmers who had grown silage in the base period, and required them to plant no more than they had in the base period.

The House also rejected by an 88-136 standing vote the provision allowing substitution of feed grains when acreage allotments for other crops could not be used due to adverse weather conditions. This amendment (offered by Poage) was designed to appeal mainly to Southern farmers.

The key amendment offered by opponents of feed grains controls was sponsored by Thomas G. Abernethy (D Miss.). It would have exempted from controls all feed grains fed on the farm where they were grown. The amendment, which was identical to one rejected by the Senate May 24 (sponsored by Sen. James O. Eastland (D Miss.)), was defeated on a voice vote. (Out of the six-man Mississippi delegation in the House, only Frank E. Smith (D 3rd District) subsequently voted against recommitment of HR 11222.)

The amendment was opposed by Administration forces, who said that it would "gut" the feed grains controls, and by Members from areas, principally in the Midwest, which produced more feed grains than they used locally, because it would mean a loss of markets. (Although only about 10 percent of all feed grains are harvested for silage, over 75 percent are consumed on the farm or in the locale where they are grown. Taylor offered his silage amendment after the Abernethy amendment failed.)

Abernethy said that the purpose of his amendment was "to assure a free and untrammelled livestock industry in America." He added that feed grains were principally used to feed livestock.

Jennings replied that the amendment would help the large farmer at the expense of the small farmer, who would begin to feed livestock to make up for his loss in feed grain markets. Eventually, he said, the provision would lead to a collapse of livestock prices. Rep. James Roosevelt (D Calif.) said that it would cause concentration of livestock production in the hands of corporations and processors. Cooley said that 75 percent of all feed grains goes to market "on the hoof, in the form of hogs, cattle and poultry." He said that the amendment would "destroy all of our efforts to bring about an adjustment in the feed grain situation."

In all, 55 amendments to HR 11222 were offered on the House floor June 20-21. The following list gives all amendments that were accepted and significant amendments that were rejected:

AMENDMENTS ACCEPTED

June 20 -- Harold B. McSween (D La.) -- Limit long-term land retirement contracts to land regularly used in the production of crops. Voice vote.

E. C. Gathings (D Ark.) -- Reduce the period during which payments would be made to farmers for planting

tree cover under land-retirement contracts from 15 years to 5 years. Voice.

Ross Bass (D Tenn.) -- Prohibit development of industrial parks or private industrial or commercial enterprises under the Act and federal interference in existing commercial uses of land (such as commercial forests and private recreational facilities). Standing, 197-9.

McSween -- Delete authority for federal assistance to local communities improving their watershed projects to provide capacity to meet future needs. Voice.

Frank E. Smith (D Miss.) -- Require that any watershed development carried out under the Act (to provide additional capacity and facilities to meet public recreation needs) be coordinated with other federal water resources development projects on the same river basin. Voice.

Henry S. Reuss (D Wis.) -- For protection of "wetland" waterfowl refuges in North Dakota, South Dakota and Minnesota, establish a one-year period during which the Department of Agriculture would be barred from assisting farmers to drain wetlands if the Department of Interior determined that wildlife preservation would be damaged. The Department of Interior would have one year to lease or purchase the wetlands in question. Voice.

G. Elliott Hagan (D Ga.) -- Submitted by Cooley -- Require a two-year waiting period before new farmers (except those acquiring land through will or succession) could participate in long-term cropland retirement programs. Voice.

Catherine May (R Wash.) -- Make surplus agricultural commodities available to refugees from Communist China in Hong Kong. Voice.

Clifford G. McIntire (R Maine) -- Delete Title III (authorizing marketing agreements for potatoes for dehydrating.) Standing, 127-84.

June 21 -- Bass (D Tenn.) -- Provide a penalty of \$10,000 fine and/or 10 years in prison for anyone offering inducement for the storage of any agricultural products in any warehouse. Voice.

George H. Mahon (D Texas) -- Establish a 4 percent state acreage reserve to be distributed to new farmers and to alleviate hardships and inequities, in lieu of a 3 percent reserve. Voice.

Mahon -- Give special consideration to farms on which there was feed grain acreage in 1961 and 1962, in establishing farm allotments. Voice.

Ralph R. Harding (D Idaho) -- offer diversion payments on feed grains acreage removed from production in 1963 at 50 percent of the higher basic country support rate or the national average support rate; in 1964, 40 percent; in 1965, 30 percent (in lieu of 50 percent of the country support rate in each year). Voice.

Lester R. Johnson (D Wis.) -- Extend for six months, through Sept. 30, 1963, the bill's program of payments to dairymen who lower their sales levels. Voice.

W. Pat Jennings (D Va.) -- Establish a 40-acre small farm feed grain exemption in place of a 25-acre one. Standing, 160-98.

Roy A. Taylor (D N.C.) -- Exclude all feed grains harvested for silage from controls -- a substitute for an amendment by Jennings which would have permitted farmers to exclude feed grain acreage harvested for silage during the base period of 1959-1960. Standing, 123-84.

Jennings -- Permit the Secretary of Agriculture to increase the allotments of farms growing any kind of wheat in short supply by enough to insure adequate supply. Standing, 150-76.

D.R. (Billy) Matthews (D Fla.) -- Exempt oats from feed grains controls. Standing 90-104; teller, 148-106.

McSween -- Provide price supports for wheat and for feed grains between 50 percent of parity and zero, and require the Commodity Credit Corp. to sell off surplus stocks at no less than 105 percent of the current support rate, whenever marketing controls were not in effect. Standing, 132-99.

Jennings -- Permit farmers to graze diverted acreage in lieu of receiving diversion payments, and permit the Secretary of Agriculture to allow grazing of diverted lands in order to alleviate emergency hardships. Standing, 126-109.

Matthews -- Require that land diverted to conservation uses be kept free from erosion, weeds, insects and rodents, and allow farms which put land to summer fallow or left it idle in 1959 and 1960 to continue such conservation practices under the diversion requirements of the feed grains and wheat sections. Standing, 103-89.

Delbert L. Latta (R Ohio) -- Limit wheat certificates for any farm to \$25,000 in any year. Standing, 145-101.

AMENDMENTS REJECTED

June 20 -- Paul Findley (R Ill.) -- Require that all public facilities developed with federal assistance under Title I be free of racial discrimination. Standing, 101-145; teller, 106-142.

Edward J. Derwinski (R Ill.) -- Permit local currency credits gained from sales of surplus agricultural products to Communist countries to be used for farm improvement loans to private owners in such countries. Voice.

June 21 -- Bob Dole (R Kan.) -- Make diversion payments to farmers who take land out of production under the wheat program, at 50 percent of the higher of the basic county support rate or the national average support rate in 1963, 1964 and 1965. Standing, 40-81.

Charles B. Hoeven (R Iowa) -- Substitute for Title IV (commodity programs for wheat, feed grains and dairy) an extension of the current temporary programs of payments to wheat and feed grains farmers who agree to reduce their planted acreage; make payments in kind from Commodity Credit Corp. stocks to corn, grain sorghum and barley producers in lieu of price support payments; permit farmers who did not use any of their acreage to produce wheat or feed grains to buy specified quantities from the CCC at low prices for use or resale; and extend expiring conservation reserve contracts. Standing, 122-224.

Thomas G. Abernethy (D Miss.) -- Exempt from controls all feed grains used on the farm where grown. Voice.

John H. Dent (D Pa.) -- For farms of up to 400 acres, permit 200 acres of feed grains, provided 90 percent is used on the premises, and no more than 10 percent is marketed. For larger farms, allow up to 200 acres to be exempted from marketing quotas for feed grains. (Substitute for Abernethy feed grains amendment). Voice.

Robert W. Hemphill (D S.C.) -- Delete the dairy program. Standing, 86-106.

W.R. Poage (D Texas) -- Permit feed grains to be grown on acreage normally allotted for another crop (such as rice, cotton, peanuts, tobacco or wheat) which is not used for production of such commodity because of adverse weather conditions. Standing, 88-136.

Albert H. Quie (R Minn.) -- For years in which producers rejected controls, provide supports at 50 percent of parity, and prohibit the CCC from selling stocks at less than 80 percent of parity. Voice.

Peter H. Dominick (R Colo.) -- In years in which producers rejected controls, prohibit the CCC from making sales for unrestricted uses. Voice.

J. Floyd Breeding (D Kan.) -- Provide that conservation requirements in the bill not be construed to prohibit any farmer from planting his full acreage allotment of wheat or feed grains. Voice.

Samuel S. Stratton (D N.Y.) -- Legalize enforcement of fees charged against milk handlers selling milk in a marketing order area who are not subject to the marketing order, in order to protect handlers subject to the order from price cutting. Voice.

Neal Smith (D Iowa) -- Postpone from 1963 to 1964 marketing quota penalties for feed grains and the referendum on them, and require the Secretary, in apportioning acreage allotments, to take into account not only the base acreage of the farm but the total tillable acres, crop rotation practices, types of soil and topography (i.e. establish criteria in addition to history during the base period.) Standing 47-120.

May -- Require that when two-thirds of producers voting in a referendum choose controls for wheat or feed grains, the vote will not be valid unless at least one-half of the eligible producers have voted in the referendum. Standing, 123-149.

Mahon -- Permit the Secretary of Agriculture, when making upward adjustments in feed grain acreage allotments, to take into account the amount by which feed grains acreage on any farm was reduced in 1959 and 1960 in order to make full use of acreage allotments for other commodities. Voice.

Mahon -- Permit annual field crops for which price support is not made available to be grown on acreage diverted from production of feed grains under the program (in addition to guar, sesame, safflower, sunflower, castor beans, malting barley and flax), and provide that no price supports shall be made for crops grown on diverted acreage. Voice.

Dole -- Permit wheat farmers to store on the farm wheat grown in violation of their acreage allotments, or to deliver it to the CCC, and so avoid or postpone the marketing quota penalty. Standing, 109-169.

Dole -- Permit farmers to retain wheat marketing certificates and use them in subsequent years. Voice.

James F. Battin (R Mont.) -- Allow the Secretary to exempt from acreage restrictions on wheat or feed grains, and to offer price supports to, farmers in areas suffering from drought, flood, or other natural disaster. Voice.

Ancher Nelsen (R Minn.) -- Substitute the five-year period from 1956 through 1960 for the two years 1959 and 1960 in determining the feed grains base acreage of farms. Standing, 88-167.

Hoeven -- Remove authority in the bill permitting loans under the Farmers Home Administration for developing sewer systems in rural communities. Standing, 128-202.

Craig Hosmer (R Calif.) -- Terminate all price support programs at the end of three years, and direct the CCC to sell off all surplus stocks. Standing, 87-172.

Robert P. Griffin (R Mich.) -- Require that the number of employees of the Department of Agriculture at no time exceed the number of farmers in the country. Standing, 171-230.

President on Farm Bill Defeat

President Kennedy at his June 27 press conference attributed defeat of his farm bill to the "powerful interests against it": a nearly unanimous Republican party; people who want to store more surpluses "because they make money out of it"; farmers who feed livestock -- "the more surpluses there are, the cheaper the feed is" -- and those who want to plant corn "and who figure that if there are restraints on production then they won't be able to plant."

Mr. Kennedy said, "the fact of the matter is, if we had secured passage of that bill it would have meant a saving of \$1 billion." If new farm legislation was not passed, he said, "the farm income will drop...because the surpluses will pile up...and no one will benefit." (For text, see p. 1114)

DEFENSE PRODUCTION ACT

The House June 25, by a 328-0 roll-call vote, passed a bill (HR 11500) extending the Defense Production Act of 1950 for two years, through June 30, 1964. (For voting see chart p. 1118) The Act, last extended in 1960 (PL 86-560), authorized the President to establish priorities for defense contracts, allocate scarce materials and guarantee defense loans. (1960 Almanac p. 75)

Following passage, the House by voice vote substituted the provisions of HR 11500 for those of a Senate-passed bill (S 3203). The Senate June 26 agreed to the House version by voice vote.

Prior to passage, the House by voice vote accepted a motion offered by Chairman Brent Spence (D Ky.) of the House Banking and Currency Committee to withdraw committee amendments to the bill. This left in the bill only a simple extension of the Act. The five amendments, which had been requested by the Kennedy Administration, were designed to facilitate disposal of materials from the Defense Production Act stockpile and revise financing of activities under the Act. Republican Committee members praised the withdrawal. They opposed particularly an amendment which would have given the Government permission to sell stockpiled materials in foreign markets at local prices, and an amendment which authorized the writeoff as a nonrecoverable expense of a \$68,294,000 loss sustained by the Cuban government's nationalization of the Nicaro Nickel plant. Rep. Gordon L. McDonough (R Calif.) said adoption of the amendment would give Cuban Premier Fidel Castro "reason to believe his expropriation proceedings received our support...."

BACKGROUND -- The Senate June 21 by voice vote passed S 3203, extending the Defense Production Act for one year instead of for two years as requested by the Kennedy Administration. Banking and Currency Committee Chairman A. Willis Robertson (D Va.) June 21 during Senate debate on the bill said the Committee would hold hearings later in 1962 on the amendments proposed by the Administration. The Committee reported S 3203 (S Rept 1605) June 18 with the one-year extension.

The House Banking and Currency Committee June 19 reported HR 11500 (H Rept 1839) with the Administration amendments. Minority views opposing the amendments were signed by the 12 Republican members of the Committee.

CORPORATE, EXCISE TAXES EXTENDED, TRAVEL TAX CUT

The House and Senate June 27 agreed by voice votes to a conference report (H Rept 1935) on a bill (HR 11879) to extend for a year most existing corporate and excise taxes and to reduce transportation and certain communication excise taxes. The bill was passed by the House June 6 (Weekly Report p. 958) and by the Senate June 25 (see below).

The principal difference between the House and Senate bills was the date on which railroad, bus and water travel taxes would expire and the air travel tax would drop to 5 percent. Agreement was reached on Nov. 15 as the effective date. How much of the tax cuts would be passed on to the general public in reduced fares would not be known for some time. It was generally conceded, however, that financially ailing railroads in the East were certain to ask the Interstate Commerce Commission for an increase in fares equal to the tax cut so that ticket prices would remain the same.

The bill was expected to retain revenues of about \$2.7 billion in fiscal 1963 that otherwise would be lost to the Government. The revenue losses to the Government listed below are in terms of the original provisions of HR 11879 when it was introduced in the House.

PROVISIONS -- As sent to the President, HR 11879:

Extended for one year, until July 1, 1963, the current 52 percent corporate income tax rates and the current rates of excise tax on distilled spirits, beer, wine, cigarettes, passenger cars, automobile parts and accessories and general telephone service. (This was expected to retain about \$2.3 billion in federal revenues in fiscal 1963.)

Extended through Nov. 15, 1962 the 10 percent tax on transportation of persons by railroad, bus, plane and water, and further extended from Nov. 16 through June 30, 1963 the tax on travel by air but at a reduced rate of 5 percent. (Loss to the Government: \$27.5 million in fiscal 1963)

Exempted from the transportation tax, effective Nov. 15, the portion of an international air trip that is made in the U.S., provided that any scheduled stopover in this country is not more than six hours. (Loss: \$2.5 million)

Exempted from the 10 percent general telephone tax or the 10 percent wire mileage tax private lines or leased wires which permit communication from one fixed location to another if the lines are used in a trade or business, effective Jan. 1, 1963. (Loss: \$7 million)

BACKGROUND -- HR 11879 was initially reported June 18 by the Senate Finance Committee (S Rept 1604). (Weekly Report p. 1069) It set a July 1, 1962 expiration date for all transportation taxes except travel by air, which would have dropped to 5 percent on December 31. Sen. A.S. Mike Monroney (D Okla.) June 20 criticized the Committee recommendations as "discriminatory and not fair play." As chairman of the Commerce Committee's Aviation Subcommittee, his views reflected those of the Air Transport Association, the scheduled-carrier trade organization. An expected attempt by Monroney to alter the bill on the floor plus sharp criticism by the airlines of the six-month gap between cuts in the different travel taxes led the Committee to recall the bill June 21 for alterations. The Committee amended the bill by setting Oct. 1, 1962 as the date on which the air travel tax would

drop to 5 percent and the other transportation taxes would expire, and re-reported the bill (S Rept 1616) June 22. (For President Kennedy's recommendations on transportation taxes, see Weekly Report p. 958.)

Senate Action

The Senate passed HR 11879 by voice vote June 25 after rejecting three amendments to broaden the tax reductions. Committee amendments granting tax exemptions on international air travel and on private or leased wires for communication were accepted.

Both the Senate and House versions of the bill extended the corporate and most excise tax rates for a year. The reductions in travel taxes also were approved by both houses but with different effective dates. The reductions were scheduled for Oct. 1, 1962 in the Senate bill and for Dec. 31, 1962 in the House bill.

Two of the amendments rejected in the Senate were intended to bring tax relief to the railroads. The third amendment would have eliminated communication taxes.

An amendment by Jacob K. Javits (R N.Y.) would have made July 1, 1962 the effective date of the transportation tax changes. He argued that financially hard-pressed railroads, particularly in the Northeast, needed immediate additional sources of revenue which could be partly provided by the portion of individual fares currently paid in taxes. Frank Carlson (R Kan.), a member of the Finance Committee, said the railroad problem "was thoroughly discussed in the Committee" but the members felt "we had gone as far as we could," in view of the revenue loss, in recommending the October 1 effective date. The amendment was rejected on a standing vote.

Prescott Bush (R Conn.) proposed an amendment to permit railroads which are in bankruptcy to be relieved of the 10 percent tax as of July 1, 1962. The amendment would have benefitted only one railroad: The New York, New Haven & Hartford. He said his amendment dealt with a "dying man" while Sen. Javits' amendment dealt "with a man who was quite sick." George A. Smathers (D Fla.) said the amendment would violate the constitutional requirement of uniformity in excise taxes. The amendment was rejected by voice vote.

Eugene J. McCarthy (D Minn.) submitted an amendment to remove the excise tax on communications. He said "the original wartime justification (for the taxes) is no longer present and...there is a need to increase purchasing power in the American economy today." Harry F. Byrd (D Va.), chairman of the Finance Committee, urged rejection of the amendment because he said it would cause a revenue loss of \$893 million in the next fiscal year.

AMENDMENTS REJECTED

June 25 -- Jacob K. Javits (R N.Y.) -- Make the effective date of travel tax reductions July 1, 1962 rather than October 1, 1962. Standing vote.

Prescott Bush (R Conn.) -- Exempt from the 10 percent transportation tax any railroad subject to bankruptcy or reorganization proceedings under the Bankruptcy Act. Voice vote.

Eugene J. McCarthy (D Minn.) -- Repeal the section of the Internal Revenue Code relating to tax on communications effective July 1, 1962 for services rendered after that date on amounts paid after that date. Voice.

Floor Action - 12

EXPORT CONTROL

The Senate and House this week passed bills extending the Export Control Act of 1949, which was scheduled to expire June 30. (For background, see Weekly Report p. 842) The Senate made the Act permanent, as the Administration had asked, but the House extended it for only three years. Both chambers added differing amendments strengthening the penalties under the Act and calling for closer attention to the economic effects of exports to the Soviet bloc. The bill was then sent to conference to resolve the differences.

Senate Bill

The Senate June 23 by a 59-1 roll-call vote, passed a bill (S 3161) making the Export Control Act permanent. Before passage the Senate adopted en bloc, by a roll-call vote of 57-2, two amendments by Sen. Kenneth B. Keating (R N.Y.). One of the amendments raised the penalty for those who "wilfully" shipped prohibited goods "with knowledge" that the exports would be used "for the benefit of any Communist-dominated nation" to a fine of five times the value of the exports involved or \$20,000, whichever is greater, or imprisonment for five years, or both. Under existing law, all violations could be penalized by \$10,000 or one year in prison, or both. The Keating amendment left this penalty in effect for other violations of the Act -- such as in the requirements for reporting or for filling out forms -- but raised the penalties for second offenders in this category to a fine of three times the value of the exports involved or \$20,000, whichever is greater, or imprisonment for five years, or both. (For voting, see chart p. 1117)

The other Keating amendment added a new section to the findings of the Act, that "the Communist bloc is engaged in economic warfare" and made a declaration of Congress that the U.S. should "use its economic resources and advantages in trade with Communist-dominated nations to further the national security and foreign policy objectives of the United States."

As reported by the Senate Banking and Currency Committee, S 3161 carried an amendment making a declaration of Congress that it is the policy of the U.S. to formulate East-West trade policies that will have the cooperation of U.S. allies and non-aligned nations. This amendment was accepted on the floor by voice vote. (Weekly Report p. 1025)

House Bill

The House June 25, by a roll-call vote of 339-0, passed a bill (HR 11309) extending the Export Control Act for three years, through June 30, 1961. (For voting see chart p. 1118)

Before passing the bill, the House accepted by voice vote an amendment by Rep. A. Paul Kitchin (D N.C.) adding a section saying that any export should be banned to a country "threatening the national security" of the U.S. unless the President determined that it would not make a "significant contribution to the military or economic potential" of the recipient nation. (The expiring Act was administered primarily to prevent shipments of military and strategic value to the Communist bloc.)

The Kitchin amendment also raised the penalty for all violations of the Act to imprisonment for up to two years, instead of one, in addition to the \$10,000 fine.

The amendment was accepted on the floor by House Banking and Currency Committee Chairman Brent Spence (D Ky.). It was reportedly strongly opposed by the State Department. The Committee reported HR 11309 June 18. (Weekly Report p. 1069)

SEC STUDY EXTENDED

The House June 22 passed by voice vote and sent to the Senate a bill (HR 11670) authorizing an additional \$200,000 for a three-month extension of the special Securities and Exchange Commission study of the stock market. (Weekly Report p. 950) The SEC was directed to report its findings to Congress on April 3, 1963, rather than Jan. 3, 1963. The additional funds would be added to the \$750,000 authorized in 1961 for the study.

Rep. Peter F. Mack Jr. (D Ill.), floor manager of the bill, said "the importance of the study to the investing public requires its complete execution, which can only be effected pursuant to an extension of the study." Since the initiation of the study, he said, the securities industry had indicated an awareness of "the importance of putting its own house in order." He said the investigation "should be continued at an accelerated pace in light of recent developments in the securities industry." Mack said further extensions would be unnecessary because he had been assured that the study would be completed by April 3 with the additional funds.

Rep. William L. Springer (R Ill.) said the study was unavoidably delayed in 1961 and "a continuance of this investigation for three months would be in the public interest."

BACKGROUND -- HR 11670 was reported June 6 (H Rept 1778) by the House Interstate and Foreign Commerce Committee.

D.C. APPROPRIATION

The House June 26 passed by voice vote and sent to the Senate a bill (HR 12276) providing for a \$290,059,000 fiscal 1963 budget for the District of Columbia, to be financed from D.C. tax revenues. It also provided \$33,199,000 in federal payments and authorized \$26,042,000 in federal loans to the District.

The federal payment included \$30 million to the D.C. general fund and \$3,199,000 for water and sewage funds.

BACKGROUND -- HR 12276 was reported (H Rept 1906) June 22 by the House Appropriations Committee which recommended a D.C. budget of \$290,059,000--\$9,075,478 less than was requested. The President's request for a \$32 million federal payment to the general fund was cut by \$2 million.

The report said the Committee recommended appropriation of the full \$26,999,800 requested for the Metropolitan Police Department and approved requests for 56 additional police privates and 25 additional man-dog teams in order to increase police efficiency and reduce crime in the District.

The Committee cut \$1,337,700 from the \$23,193,700 requested for the District Welfare Department. The Committee approved requests for 10 welfare investigators to continue a current investigation designed to eliminate from welfare roles all recipients not fully eligible for aid. The report said, "The Nation's Capital must not become a welfare city."



Committee Roundup

CONFLICT-OF-INTEREST

COMMITTEE -- Senate Judiciary.

HELD HEARING -- June 21 on a bill (HR 8140) consolidating and revising the conflict-of-interest laws covering federal employees.

BACKGROUND -- As passed by the House Aug. 7, 1961 HR 8140 contained many of the recommendations made April 27, 1961 by President Kennedy in a special message on conflicts of interest. In its major provisions, the bill consolidated and strengthened conflict-of-interest prohibitions relating to full-time federal employees and set forth special conflict-of-interest regulations for part-time employees. While the legislation generally tightened rules affecting full-time workers, it relaxed many restrictions affecting part-time employees in an attempt to draw more part-time or consultative talent into federal service. (1961 Almanac p. 377)

TESTIMONY -- June 21 -- Deputy Attorney General Nicholas deB. Katzenbach said "the most significant contribution" of HR 8140 was the relaxation of restrictions affecting part-time employees. However, he said a House-passed provision prohibiting a part-time employee from receiving compensation for services rendered for others before a federal agency in a matter which had been a subject of his official responsibility within two years was opposed by federal scientific agencies and should be dropped. He said scientific agencies opposed another amendment, forbidding an employee who served more than 15 days a year from receiving compensation for services rendered for others in a matter pending in the agency he serves. Katzenbach recommended that that prohibition be applied only to employees who served more than 60 days a year. He said scientific agencies had requested the amendments because the skills they required from part-time employees are found only among individuals whose principal employment brings them to the same agency on other occasions in behalf of private organizations. He said the provisions as passed by the House might completely discourage individuals from accepting Government consulting work.

Katzenbach also recommended deletion of a House provision prohibiting former employees from appearing before a federal agency as agent for another in connection with a matter which was under his responsibility within two years prior to his leaving the Government. He said the proposal was also opposed by scientific agencies as preventing recruitment of top-flight personnel. Katzenbach also asked the Committee to delete a provision prohibiting a partner of a former federal employee from handling any matter before the Government which the former employee was permanently barred from handling.

Katzenbach said "no one disputes the need for revising the conflict-of-interest laws", and that HR 8140 represented years of study in the conflict of interest field and was supported by the experts.

Sen. Kenneth B. Keating (R N.Y.) said HR 8140 should be amended to: provide procedure to assure effective enforcement of the regulations; deal with ex parte

communications; resolve conflict of interest problems affecting Congressmen and forbid acceptance of gifts by federal employees.

HR 8140 was supported by representatives of the American Bar Assn. and the Bar Assn. of the City of New York.

ANTI-CRIME BILLS

COMMITTEE -- House Interstate and Foreign Commerce.

ACTION -- June 15 reported with amendments a bill (S 1658 -- H Rept 1828) banning the interstate transportation of gambling machines, except to gambling establishments where betting was legal under state law. (1961 Almanac p. 385)

The bill expanded the Johnson Act of 1951, which outlawed interstate transportation of slot machines to states which did not specifically exempt themselves from the prohibition, to include pinball machines, roulette wheels and other machines which were designed and manufactured primarily for use in gambling and which might, directly or indirectly as a result of the application of an element of chance, deliver money or property to the gambler.

As reported to the House S 1658 differed from the version passed by the Senate in 1961 in that it did not prohibit the export to foreign countries of gambling devices. Like the Senate bill it exempted parimutuel and other betting equipment designed for use at race-tracks, but in addition, the House bill exempted coin-operated bowling alley, shuffleboard, marble machines (pin-ball machines) or mechanical guns which were not designed primarily for gambling. The Committee bill, as reported, unlike the Senate bill also exempted claw, crane or digger machines which were operated by crank primarily at state fairs and carnivals.

The bill as reported also broadened the Senate-passed expansion of current law requiring gambling device manufacturers, dealers and repairers to register with the Attorney General and to keep records open for inspection by federal agents.

OBSTRUCTION OF JUSTICE

COMMITTEE -- House Judiciary.

ACTION -- May 10 reported with amendments a bill (HR 8845 -- H Rept 1671) to make it a crime to obstruct justice by willfully injuring, or threatening or attempting to injure, any person cooperating with the Federal Bureau of Investigation, the Narcotics Bureau or the Internal Revenue Service in authorized investigations into certain federal crimes: namely, murder, kidnaping, gambling, narcotics, liquor, prostitution, extortion or bribery. The penalties were set at \$5,000 in fines or imprisonment of up to five years, or both.

HR 8845 was similar to a bill (S 1665) passed by the Senate in 1961. The Senate bill had made it a crime to threaten, intimidate or injure any witness cooperating with an inquiry or investigation by the Justice or Treasury Departments. (1961 Almanac p. 384)

Committee Roundup - 2

The House bill contained two sections which the Senate bill did not include. HR 8845 made subject to the bill's penalties any person who willfully injured, threatened or attempted to injure a person furnishing information to the FBI in investigations dealing with any offense relating to national security.

The bill also stipulated that the Federal Government had not preempted (taken over to the exclusion of the states) the punishing of crimes stipulated in the bill. In effect, the provision, like another bill (HR 3) reported by the Judiciary Committee, would nullify a 1956 Supreme Court decision which struck down state sedition laws punishing subversion against the Federal Government. (Weekly Report p. 1070)

ESTES INQUIRY

COMMITTEE -- House Government Operations, Inter-governmental Relations Subcommittee.

CONTINUED HEARINGS -- On the grain storage and cotton allotment dealings of Billie Sol Estes, a Texas financier under indictment in Texas courts for fraud. (Weekly Reeport p. 1068) Testimony:

June 25 -- James A. McConnell, a former Assistant Secretary of Agriculture in the Eisenhower Administration in 1955 and currently a consultant to the Commercial Solvents Corp., said he "never even heard the name of Billie Sol Estes" while serving in the Government. He said that he made two visits to Pecos, Texas for Commercial Solvents, and was "very impressed" with the condition of the physical properties and the competence of the men in charge of Estes' Operations. McConnell said the company had felt that Estes "was extremely ambitious and might, if not controlled, over-expand." He said "never at any time did I contact anyone in the Department of Agriculture seeking any action in connection with Estes' operations or his relations with Commercial Solvents."

June 26 -- Frank Cain, a lawyer for the Pacific Finance Corp. of Los Angeles, one of the firms suing Estes, said the statements and testimony he gave to a Texas court of inquiry April 20 "were absolutely true in every detail of what I said." He said he was "absolutely convinced" that Commercial Solvents was involved with Estes "up to its neck."

(Cain had told the Texas court that during a March 18, 1962 meeting between Estes, M.C. Wheeler, president of Commercial Solvents, and himself, Wheeler said Commercial Solvents would set Estes up in business in Switzerland if he got "too involved" in his dealings. Wheeler June 13 told the Subcommittee Cain's charges were "false and defamatory." Weekly Report p. 1029)

Following Cain's testimony, Subcommittee Chairman L.H. Fountain (D N.C.) said the Subcommittee would point out the conflict in Cain and Wheeler's testimony to the Justice Department for examination for perjury.

RELATED DEVELOPMENTS -- June 21 -- A federal grand jury in El Paso brought out a new indictment of 29 counts against Estes, including 16 counts of mail fraud, 12 counts of illegally transporting securities in interstate commerce and one count of conspiracy. The indictment also named three officials of the Superior Manufacturing Co., the firm which sold farmers' mortgages on allegedly non-existent fertilizer tanks to various finance companies; Harold E. Orr, Ruel W. Alexander, and Coleman D. McSpadden. Attorney General Robert F. Kennedy in Washington said "additional and better in-

formation on the case" had provided the basis for the new indictment.

June 21 -- Sens. Karl E. Mundt (R S.D.) and Carl T. Curtis (R Neb.), the Republican members of the Senate Government Operations Committee Permanent Investigations Subcommittee, made public affidavits signed by employees of the Agriculture Department who said they had searched through Department files and taken out all letters exchanged between the department and the two Senators since 1953. One affidavit was signed by Thomas R. Hughes, executive assistant to Secretary of Agriculture Orville L. Freeman. Hughes said the search for the correspondence was his idea because he felt "this material would be useful to Secretary Freeman in connection with his appearance before the Subcommittee." The two Senators said the search was an "attempt to intimidate" and said they had no "secrets to hide nor any correspondence with the Agriculture Department that we are reluctant to disclose."

Freeman June 22 said there was never any intention to make the correspondence public "but rather to review matters of concern to the Senators by examining inquiries they have directed to the Department."

June 23 -- Texas Attorney General Will Wilson held a court of inquiry in Pecos, Texas, on the Estes case. The inquiry disclosed various telephone calls made by Estes during the period 1960-62, including: 38 calls (between Sept. 26, 1960 and March 29, 1962) to Sen. Ralph W. Yarborough (D Texas); 5 calls to Rep. J.T. Rutherford (D Texas); 12 calls to Emery E. Jacobs (a former Agriculture Department administrator who resigned April 13 after a Texas court of inquiry heard testimony that Estes took Jacobs shopping for expensive clothing in Dallas); and 41 calls to William F. Morris (a former Agriculture Department employee dismissed April 16 for failing to make himself available for questioning about his relationships with Estes). The inquiry showed that on the day before and the day of his arrest, March 29, Estes made calls to Cliff Carter, an administrative aide to Vice President Lyndon B. Johnson, and to Yarborough. Carter said Estes had called to find out if it were true he was being investigated. Carter said he told Estes he would call him back if he found out, but said he did not do so.

Yarborough June 25 said the calls he received from Estes were "nothing but routine calls."

June 25 -- Secretary Freeman reprimanded an Agriculture Department official, Thomas A. Miller, acting Southwest area director of the Agricultural Stabilization and Conservation Service because Miller had failed to disclose "that he prepared a report under instructions from a superior recommending that (Estes') cotton allotments be allowed to stand for 1961 and subsequent years."

Freeman said Miller had claimed that an order to write a report justifying an Agriculture Department decision permitting Estes "to retain all of the cotton allotments he had acquired at that time" had been transmitted to Miller from Under Secretary Charles S. Murphy through Emery E. Jacobs, then deputy administrator of the Service. Freeman said Jacobs had denied that Miller had been instructed to "write a slanted report" and Murphy issued a statement denying that he had ordered such a report. Freeman said Miller had disclosed the report to investigators for the Senate Permanent Investigations Subcommittee on June 1, but had not done so to FBI agents in questioning on April 9 and May 29. Miller claimed

that he disagreed with Jacobs' order but wrote the report because he felt he had "no alternative under the circumstances."

DEBT CEILING

COMMITTEE -- Senate Finance.

ACTION -- June 27 reported a bill (HR 11990 -- S Rept 1634) raising the national debt ceiling temporarily to \$308 billion beginning July 1. Under the bill, the \$308 billion ceiling would drop to \$305 billion on April 1, 1963 and to \$300 billion for the period from June 25 through June 30, 1963. The ceiling is currently at a \$300 billion temporary level and is scheduled to revert to its \$285 billion permanent level on July 1. The actual debt is currently estimated at \$299 billion.

The Committee approved the bill the same day. Prior to approval the Committee rejected, on a 7-8 vote, a motion offered by Sen. John J. Williams (R Del.) to set the ceiling at \$306 billion until April 1, 1963. The motion was supported by Sens. Byrd (D Va.), Anderson (N.M.), Carlson (Kan.), Bennett (Utah), Butler (Md.) and Curtis (Neb.). It was opposed by Sens. Kerr (Okla.), Long (La.), Smathers (Fla.), Talmadge (Ga.), McCarthy (Minn.), Hartke (Ind.), Fulbright (Ark.) and Morton (Ky.).

(The Senate June 28 passed HR 11990 by a 55-34 roll-call vote. Details and voting will be carried next week.)

BACKGROUND -- The Finance Committee June 26 held a hearing on HR 11990, Treasury Secretary Douglas Dillon said the ceilings provided in the bill were the "absolute minimum" needed for fiscal 1963.

The House June 14 passed HR 11990 on a 211-192 roll-call vote. (Weekly Report p. 1003) Asked at a news conference the same day to comment on charges that the Defense Department had pressured Congressmen to support the raise or risk curtailment of defense work in their districts, President Kennedy said he hoped that all Congressmen understood that failure to raise the limit would force a stretchout in the payment of federal bills. He said such a stretchout in 1957 was thought to have been a factor in the 1958 recession. (Weekly Report p. 1077)

AEC AUTHORIZATION

COMMITTEE -- Joint Atomic Energy.

ACTION -- June 21 reported a bill (HR 11974 -- H Rept 1871) authorizing fiscal 1963 appropriations of \$250,095,000 for Atomic Energy Commission construction projects. An identical bill (S 3392) was ordered reported to the Senate.

Of the total, \$159,415,000 was authorized for 46 new projects. For new projects, the Committee made one addition to AEC requests: it authorized \$1,300,000 for a marine products development irradiator and two mobile irradiators for continued research on the food irradiation program. In adding the funds, the Committee said the projects "should be initiated in fiscal year 1963 in order to keep the program moving ahead and to obtain further data...to assure the safety and acceptability of irradiated products for human consumption."

The Committee also made one cut in AEC new project requests. It decreased by \$1 million the funds authorized for improvement of a highway to the Nevada atomic test site. The report said the state of Nevada had agreed to

contribute 10.03 percent of the total project cost of \$10 million, so that only a \$9 million authorization would be necessary.

In other provisions, the bill, as requested by the AEC, increased prior authorizations by \$82,680,000. The largest increase was \$50,200,000, reflecting an increase in the estimated cost of construction of the production reactor at Hanford, Wash. (1961 Almanac p. 426)

In addition, HR 11974 authorized \$3 million for "design assistance" use in the AEC cooperative power reactor demonstration program. The report said the funds were intended to encourage the start of a second new large nuclear power powerplant in addition to one proposed by the AEC. The report said \$7 million was already available for new appropriations for the cooperative program.

The bill also authorized \$5 million for the joint research and development program with the European Atomic Energy Community.

As the AEC had requested, HR 11974 rescinded a \$4,000,000 prior authorization for an experimental low-temperature process heat reactor.

FORT LEE AIRFIELD

COMMITTEE -- House Government Operations.

ACTION -- June 20 issued a unanimous report (H Rept 1858) of its Executive and Legislative Reorganization Subcommittee on illegal actions in the construction of an airfield at Fort Lee, Va.

The Army in 1955, 1956 and 1957 turned down a proposed airfield strip construction project submitted by the Quartermaster Corps officials at Fort Lee, Va. The report said in 1957 officials at Fort Lee began the project regardless, with operation and maintenance funds borrowed from Fort Belvoir, Va., under a law allowing the spending of \$25,000 for minor, urgently-needed projects. The total cost of the project was ultimately \$536,373.

The report said that the officers involved (six colonels and a major) had deliberately violated a number of statutes and sections of the Uniform Code of Military Justice by falsifying purchase orders; had deliberately spent money in excess of statutory and administrative limitations; and had removed and destroyed records which would have revealed their illegal actions to General Accounting Office auditors. The report said other officers at Fort Lee had failed to bring court-martial proceedings against the offenders; had been reluctant to take disciplinary action; and had attempted to cover up and excuse the offenses rather than "get to the bottom of the whole affair."

The report said the offending officers "were disloyal to their public trust, to their subordinates and to the Army." It said "it is obvious...that in these days when hundreds of billions of dollars are being spent on the military services, many military officers cannot be trusted to police their own ranks to see that the laws governing these expenditures are carried out...constant surveillance by the General Accounting Office and the appropriate committees of Congress is necessary and must be maintained."

The Committee said it had transmitted hearings and the report to the Secretary of Defense, the Secretary of the Army and the Attorney General "for thorough review and for consideration of appropriate corrective, disciplinary and criminal proceedings" and requested the officials to report to the Committee by Dec. 31, 1962, regarding actions taken.



Political Notes

GEORGIA HOUSE DISTRICT CASE

A special three-judge federal court June 20 dismissed a suit seeking Congressional redistricting in the state.

The decision marked the first time a federal court had specifically ruled on the composition of Congressional districts since the Supreme Court's March 26 ruling in the Tennessee legislative reapportionment case (*Baker vs. Carr*). (Weekly Report p. 496; for other court actions on reapportionment see Weekly Report p. 970, 1075)

Two plaintiffs had asked the court either to force redrawing of the boundaries of Georgia's 10 Congressional districts before the Sept. 12 Democratic primary or else require all 10 Congressmen to be elected at large in the whole state. The plaintiffs, both residents of Atlanta, claimed that the composition of the current districts, which range in population from 823,680 in the 5th District (Atlanta) to 272,154 in the rural 9th District (Northeast), deprived them of the "equal protection" of the law under the 14th amendment to the U.S. Constitution. They urged the court to require new Congressional districts no more than 15 percent above or below the average district for the state, which is 394,312.

The court's majority opinion dismissing the case, written by Federal Circuit Judge Griffin B. Bell and concurred in by Federal District Judge Lewis R. Morgan, gave four major considerations for the court's decision: (1) that the case presented "a political question involving a coordinate branch of the Federal Government;" (2) the case involved a "political question posing a delicate problem difficult of solution without depriving others of the right to vote by district, unless we are to redistrict for the state;" (3) "relief may be forthcoming" from the State Legislature after it has been reapportioned in accordance with an earlier federal court order; and (4) "relief may be afforded by the U.S. Congress."

The majority opinion emphasized that the Supreme Court in the *Baker vs. Carr* case "was at pains to distinguish" that case from the 1946 decision in *Colegrove vs. Green*, when the Court refused to rule on the composition of Illinois Congressional districts. The majority opinion went on to say that "the rationale of the (*Baker vs. Carr*) decision goes no further than to open the doors of the courts for the purpose of adjudicating consistency of state action with the Federal Constitution where no question is concerned involving a coequal political branch of government.... It would be extraordinary indeed for the Court to have departed any more than was absolutely necessary from the previous standard of withholding judicial relief in matters of the kind involved in *Baker vs. Carr*, and a good reason to preserve the *Colegrove* doctrine, while at the same time reversing the body of law as it concerned state action alone, was that fairly apportioned state legislatures might well alleviate Congressional district disparity. But whatever the reason, we think *Colegrove* stands, and so long as it does, it will be our guide."

In an opinion concurring in part and dissenting in part, Federal Circuit Judge Elbert P. Tuttle said he agreed "that this Court should deny the injunction at this

time" but disagreed "with the conclusion that the injunction should be dismissed." He said the Court "should retain jurisdiction of the cause in order to give the State Legislature an opportunity to remedy what this court has unanimously found to constitute a gross inequity."

Judge Tuttle said that "the point of difference between my views and those of my colleagues is that I am not convinced that if the Georgia Legislature persists in the future in maintaining Congressional districts as grossly disproportionate as they are today, the federal courts would have no power to take cognizance of such a situation and declare the state apportionment laws unconstitutional. The view of the majority appears to be that even though the State Legislature takes no remedial action, the plaintiffs may not obtain the relief they seek at the hands of this Court.... I am of the firm conviction that the majority opinion of the Supreme Court in *Baker vs. Carr* makes it clear that nothing said in any of the opinions in *Colegrove vs. Green* denies the federal courts the power to grant relief in a Congressional district case if the complaint and proof establish a right to equitable relief from grossly disproportionate districting.... Complete relief can be granted to the plaintiffs here without the slightest interference with prerogatives or powers of the Federal Congress."

TENNESSEE APPORTIONMENT DECISION

A special three-judge federal court June 22 ruled that Tennessee's newly approved legislative apportionment laws were unconstitutional and gave the state Legislature until June 3, 1963 to pass an equitable apportionment law. The court retained jurisdiction and authority to reopen the case before the deadline if it felt it necessary to do so.

The 1962 apportionment laws were passed at a special session of the Legislature called in response to the U.S. Supreme Court's ruling in *Baker vs. Carr*, which directly concerned the apportionment of the Tennessee Legislature. (Weekly Report p. 496, 970)

The court said the act reapportioning the State House of Representatives "eliminates or mollifies some of the most glaring inequities referred to in the Supreme Court's majority and concurring opinions.... It nevertheless possesses some inequities and inequalities which in our opinion should be corrected or removed...."

The court said the "1962 act reapportioning the State Senate is devoid of any standard or rational plan of classification which we are able to discern,...making no pretense to equality or substantial equality in numbers of registered voters. Nor are the districts created by the act equal or even remotely equal in area.... It is inexplicable either in terms of geography or demography."

The court concluded "that the act reapportioning the State Senate of Tennessee is utterly arbitrary and lacking in rationality. Its only consistent pattern is one of invidious discrimination.... We find in the context of this case that equal protection requires that such condition be eliminated and that apportionment in at least one house shall be based, fully and in good faith, on numbers of qualified voters without regard to any other factor."

VIRGINIA PRIMARY OUTLOOK

Virginia holds its Democratic Congressional primary in the 7th and 10th Congressional districts July 10. Democratic candidates in the 1st, 2nd, 3rd, 4th and 5th districts were unopposed for their party's nomination, while candidates in the 6th, 8th and 9th districts were nominated by district party conventions. All Republican candidates have been or will be nominated by district conventions. (For further background, see Weekly Report p. 903 and Elections of 1962 supplement p. 706)

U.S. House. 7th District (North Central - Winchester, Staunton) -- Incumbent Rep. Burr P. Harrison (D), 58, has announced his retirement from Congress causing a wide-open five-way race for the Democratic nomination. The candidates are William Conrad Gibbons (D), 35, of Harrisonburg, former staff assistant to Lyndon B. Johnson and Senate Majority Leader Mike Mansfield (D Mont.); Strasburg attorney John O. Marsh Jr. (D), 35, a leader in area industrial development; Winchester Mayor Claude B. Smalts (D), 46; Victor E. Glick (D), 40, an associate professor of history and political science at Bridgewater College; and Winchester attorney F.L. Largent Jr. (D), 46, a former F.B.I. agent. The Republican nominee will be chosen at a June 30 district convention. (Weekly Report p. 903)

10th District (Washington, D.C. suburbs) -- Leading candidate for the Democratic nomination to oppose incumbent Rep. Joel T. Broyhill (R), 43, is Augustus C. Johnson (D), 47, a research scientist and former Fairfax County Democratic chairman, who has campaigned as a liberal supporter of the Kennedy Administration and has attacked the regular state Democratic organization headed by Sen. Harry Flood Byrd (D), charging that the Virginia state government is "in the hands of a machine which has denied northern Virginia its rights." Other candidates for the Democratic nomination are former State Rep. Edwin Lynch (D), 48, a Fairfax County realtor long identified with the liberal faction in northern Virginia Democratic politics who has called for party unity in order to defeat Broyhill in the general election; and Charles W. Lowry (D), 57, a former Episcopal minister who describes himself as an "intelligent conservative" and supports the Byrd organization.

The Congressional candidates, by district:

District	Democrats	Republicans
1	*Thomas N. Downing	#
2	*Porter Hardy Jr.	Louis B. Fine
3	*J. Vaughan Gary	Louis H. Williams
4	*Watkins M. Abbitt	none
5	*William M. Tuck	none
6	John P. Wheeler	*Richard H. Poff
7	William Conrad Gibbons	#
	John O. Marsh Jr.	
	Claude B. Smalts	
	Victor E. Glick	
	F.L. Largent Jr.	
8	*Howard W. Smith	none
9	*W. Pat Jennings	Leon Owens
10	Augustus C. Johnson	*Joel T. Broyhill
	Edwin Lynch	
	Charles W. Lowry	

* Indicates incumbent.

Republican nominating convention not yet held.

MASSACHUSETTS POLITICS

Republicans -- Rep. Laurence Curtis (R Mass. 10th District - Brookline, Newton), 68, June 25 reversed a Republican tradition in Massachusetts and announced he would not abide by the June 16 Republican convention endorsement of George Cabot Lodge (R), 34, for the Senate and would oppose Lodge in the Sept. 18 primary election. (Weekly Report p. 1072)

Curtis said the convention endorsement of Lodge was "not conclusive," since Lodge won by only 88 votes, 936 to 848.

Curtis said he would campaign on the issues of "inexperience, immaturity and dynasty," which he said applied to Lodge as well as Edward M. (Ted) Kennedy (D), 30, and Edward J. McCormack (D), 38, the Democratic Senatorial candidates. "Only by offering a candidate with seasoned experience," Curtis said, "can the Republican party effectively exploit those issues which will bring it victory in November."

Democrats -- State Attorney General Edward J. McCormack (D) June 22 asked his uncle, House Speaker John W. McCormack (D Mass.), to "refrain from campaigning in my behalf" in the Democratic Senate primary campaign against Edward M. (Ted) Kennedy (D), the President's youngest brother. Edward McCormack said in a letter to the Speaker that his participation in the campaign "might obscure the main issue in the campaign" as to "which man is better qualified to be a U.S. Senator," and might give color to the idea of "a personal contest between the President and you as Speaker of the House."

The Speaker, who had earlier announced he would campaign for his nephew, June 24, said he would abide by his nephew's request to stay out of the campaign. (Weekly Report p. 1031)

INDIANA DEMOCRATIC CONVENTION

Former State House Speaker Birch E. Bayh Jr. (D), 34, June 22 won the Indiana Democratic convention nomination for U.S. Senator to oppose incumbent Sen. Homer E. Capehart (R). (Weekly Report p. 1073)

Bayh, who is considered a strong Kennedy Administration supporter, had the support of Gov. Matthew E. Welch (D). Bayh swamped his opponents for the nomination. Bayh received 1,982 convention votes to 459 for Indianapolis Mayor Charles H. Boswell (D) and 106 for Marion Mayor M. Jack Edwards (D). Indiana candidates for the U.S. House were nominated in the May 8 primary election. (Weekly Report p. 815)

NEW YORK POLITICS

Liberal party -- The Liberal party in New York State notified Gov. Nelson A. Rockefeller (R) that it will not endorse him or Sen. Jacob K. Javits (R) for re-election in November. The June 24 announcement ended rumors that the Liberals would endorse Republicans for Governor and Senator. The Liberal party customarily endorses Democratic candidates, but might indirectly aid the Republicans by running independent candidates if it is not pleased by the candidates chosen by the Sept. 17 Democratic state convention in Syracuse.

Keogh Case -- New York State Supreme Court Justice J. Vincent Keogh, brother of Rep. Eugene J. Keogh (D N.Y. 9th District - Brooklyn) June 16 was convicted

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along with former U.S. Attorney Elliott Kanaher and Antonio (Ducks) Corallo of conspiring to influence federal District Judge Leo F. Rayfiel to reduce the sentence of Jukebox operator Sanford J. Moore, convicted of bankruptcy fraud.

During the conspiracy trial Moore testified that he gave \$35,000 to Justice Keogh and Kanaher so that they would use their influence to have Judge Rayfiel reduce Moore's sentence. Corallo allegedly aided Moore in raising the money.

Dr. Robert M. Erdman, an orthopedic surgeon, testified that he acted as an intermediary between Moore and Justice Keogh and Kanaher. Erdman also said that Justice Keogh told him that Rep. Keogh had been to see Judge Rayfiel about Moore's case. Rep. Keogh, however, in testimony at the trial denied any knowledge of the Moore case.

SEN. CASE'S DEATH

Sen. Francis Case (R S.D.), a member of the Senate since 1951, died June 22 in the Bethesda, Md. Naval Hospital of a heart ailment. Case, who also served in the House from 1937 to 1951, was the ranking Republican member of the Senate Public Works Committee and a member of the Senate Armed Services Committee. Sen. John Sherman Cooper (R Ky.) replaces Case as ranking minority member of the Public Works Committee. Case in 1956 caused a national controversy when he disclosed that a \$2,500 "campaign contribution" had been offered him by a man whom he believed was interested in the passage of the 1956 natural gas bill. (For Case biography, see Elections of 1962 supplement p. 733)

Case was renominated for a third term in the Senate by winning the June 5 primary election. He was to have opposed former Food for Peace Director and ex-Rep. George S. McGovern (D S.D. 1957-61) in the general election. (Weekly Report p. 978)

The Republican State Central Committee is scheduled to meet July 9 to choose a nominee to replace Case in the general election. Gov. Archie Gubbrud (R) is expected to wait until after the Central Committee meeting to make an interim appointment to fill out the remainder of Case's current Senate term. Names mentioned for the interim appointment and/or the Republican nomination include former Govs. Joe Foss (R 1955-59), Sigurd Anderson (R 1951-55) and Leslie Jensen (R 1937-39); state Attorney General A.C. Miller (R), who lost to Case in the June 5 primary; Lt. Gov. Joe Bottum (R); State House Speaker Carl Burgess (R); former House Speaker Nils Boe (R); and U.S. Reps. E.Y. Berry (R 2nd District - West) and Ben Reifel (R 1st District - East). Reifel June 26 indicated he would accept the nomination but not the interim appointment because it would necessitate a special election to fill his House seat.

SOUTH CAROLINA RUN-OFF RESULTS

State Rep. Albert Watson (D), 39, of Columbia, a strong conservative who supported the Nixon-Lodge ticket in the 1960 Presidential campaign, June 26 won the Democratic nomination in South Carolina's 2nd Congressional district (West Central - Columbia) by defeating in a run-off primary Dr. Frank C. Owens (D), a physician and former mayor of Columbia, who campaigned as a loyalist Democrat.

Unofficial returns from 260 of 261 precincts gave Watson 17,615 votes to 16,393 for Owens. In the June 12 first primary Watson had about a 6,000 vote margin over runner-up Owens in a five-man race, but failed to win the 50 percent of the vote necessary to avoid the run-off. Watson will face State Rep. Floyd D. Spence (R), 34 of West Columbia, a former Democrat, in the general election. (Weekly Report p. 1032)

IDAHO RUN-OFF RESULTS

State Rep. Orval Hansen (R), 35, of Idaho Falls won the Republican nomination in Idaho's 2nd Congressional District (South) to oppose incumbent Rep. Ralph R. Harding (D), 32, in the Nov. 6 general election.

Hansen defeated his run-off opponent, former U.S. Rep. John C. Sanborn (R Idaho 1947-51), 76, receiving 9,625 votes to 6,453 for Sanborn, according to unofficial returns from 495 of 509 precincts. In the June 5 first primary, Hansen led the five-man field but failed to win the 40 percent of the vote necessary to avoid the run-off with runner-up Sanborn. (Weekly Report p. 979)

NORTH DAKOTA PRIMARY RESULTS

In an extremely light primary turnout, North Dakota voters June 26 picked their party nominees. As is traditional in the state, the Republican primary vote substantially exceeded the Democratic. Since party endorsing conventions are virtually conclusive in the state, most candidates were unopposed in the primary. (Weekly Report p. 1031)

Governor. Incumbent Gov. William L. Guy (D), 42, and Republican National Committeeman Mark Andrews (R), 36, were unopposed for their respective party nominations.

Senate. Incumbent Sen. Milton R. Young (R), 64, swamped his only opponent for the Republican nomination, ultra-conservative Lankin banker Roger Vorachek (R), by a margin of more than 12-to-1. Former Democratic State Chairman P.W. (William) Lanier Jr. (D), 48, was unopposed for the Democratic nomination.

U.S. House. All House candidates were unopposed for their respective party nominations. A 1961 Congressional redistricting bill created two districts. Previously, the state's two Representatives ran at-large.

The Congressional nominees, by district:

District	Democrats	Republicans
1	Scott Anderson	*Hjalmar C. Nygaard
2	Robert Vogel	*Don L. Short

* Indicates incumbent

NEW OHIO CANDIDATE

Robert A. Riley (D), 27, a London farmer, June 20 was named the Democratic Congressional nominee in Ohio's 7th District (West Central - Springfield) by the district Democratic Central Committee to replace Philip J. Richie (D), 38, who died May 13 of a heart attack. Richie defeated Riley in the May 8 Democratic primary, 7, 227 votes to 6,277. (Weekly Report p. 816)



On Republican Primaries

'MODERATE' REPUBLICANISM HOLD ITS OWN IN PRIMARIES

The early primary elections of 1962 have failed to establish the swing to the right in the Republican party which some observers thought might be the fruit of the party's defeat in the 1960 Presidential election. Despite the popularity in many party circles of Sen. Barry Goldwater (R Ariz.) and his brand of forthright conservatism, the early signs seem to indicate that the party as a whole will shun the strongly conservative course it took during the early years of the New Deal. The early primaries of 1962 actually suggest a slight moderate "swing" and a split in power between the party's "conservatives" and "moderates" or "liberals" not too dissimilar from the general intraparty divisions during the years of the Eisenhower Administration.

Congressional Quarterly's survey covered all 27 states in which Republican primaries or nominating conventions have already been held, plus the general outlook in states where tests are still to come. Up to June 26, there had been 23 primary or convention tests between moderate and conservative Republican candidates. In 15 of those tests liberals or moderates triumphed over conservatives; in 8 conservatives won over liberals or moderates. The moderate Republican success appeared even more impressive in the light of failure of Republican conservatives, despite their best efforts, to find any candidates to contest the nomination of George Romney (R) for Governor of Michigan and Fred A. Seaton (R) for Governor of Nebraska. Both men are known as party moderates. In addition to the 22 contests already decided, the CQ survey revealed eight upcoming primary or convention decisions between moderate and conservative Republicans in which the outcomes are still unknown. The individual races, by region and state:

Eastern States

Completed. Party moderates appear to have triumphed in almost every Eastern contest to date:

In Connecticut, Hartford insurance executive John D. Alsop (R), known as a party liberal, won the nomination for Governor over a wide field of opponents at the June 5 state convention. Conservative candidates ran far behind in the convention voting but were rewarded when one of their number, State Sen. John M. Lupton (R) of Weston, was given the nomination for Congressman At-Large. Both candidates for the Senate nomination -- former Gov. John D. Lodge (R 1951-55) and U.S. Rep. Horace Seely-Brown Jr. (R) -- were party liberals. Seely-Brown launched an active campaign for delegates, winning a surprise victory over his better known opponent.

In Maine, where two incumbent Republican Congressmen were thrown into a single district through redistricting, moderate Rep. Stanley R. Tupper (R) won a surprisingly easy victory over Rep. Peter A. Garland (R), an outspoken conservative, in the June 18 primary. Part of Tupper's 25,242 to 15,666 vote victory was attributed to unfavorable publicity stemming from Garland's recently announced separation from his wife. But

Tupper's victory was considered especially impressive because the redistricting had left Garland with a far greater chunk of population from his old Congressional district.

In Massachusetts, former Assistant Secretary of Labor George Cabot Lodge (R) won endorsement for the Senate at the June 16 Republican pre-primary convention over U.S. Rep. Laurence Curtis (R). Lodge is known as an unusually liberal Republican while Curtis, despite an "internationalist" voting record on foreign affairs, tends to support generally conservative causes in his House votes on domestic issues. Curtis has announced he will challenge Lodge in the Sept. 18 primary, however.

In New Jersey, threatened right-wing opposition to Rep. Florence P. Dwyer (R), a party moderate, failed to materialize.

In Pennsylvania, maneuvers by Sen. Hugh Scott (R), former President Eisenhower and other moderate Republican leaders in the state succeeded in blocking the nomination for Governor of Superior Court Judge Robert E. Woodside (R), candidate of the conservative Pennsylvania Manufacturers Assn. U.S. Rep. William W. Scranton (R), the eventual nominee, is a liberal Republican. If elected, he might become a major national spokesman for the party's liberal wing.

Upcoming. Several additional liberal-conservative tests are upcoming in the Eastern states:

In New Hampshire, the race for the Republican nomination for the short term Senate seat of the late Sen. Styles Bridges (R), a staunch conservative, features candidates of every ideological hue. From right to left: Mrs. Doloris Bridges (R), widow of the late Senator who represents ultra-conservatism; interim Sen. Maurice J. Murphy Jr. (R), protégé of conservative Gov. Wesley Powell (R); U.S. Rep. Perkins Bass (R 2nd District), known as a Republican moderate; and U.S. Rep. Chester E. Morrow (R 2nd District), who has one of the most liberal voting records of all House Republicans. Reports indicate a close race with Bass possibly having a slight edge in the contest for votes in the Sept. 11 primary.

A conservative versus liberal contest is also underway for the 2nd District (Western) House seat being vacated by Bass. On the conservative side is Bert Teague (R), a former staff aide to Bridges who lost to Bass by a narrow margin in the 1954 district primary. On the liberal side is State Sen. James C. Cleveland (R) of New London, currently rated a slight underdog in the race. Several other candidates are given less chance.

In New York, observers are watching to see whether the new-born Conservative party is able to get candidates for Governor and Senator onto the general election ballot. Such a development could cut heavily into anticipated re-election margins of Gov. Nelson A. Rockefeller (R) and Sen. Jacob K. Javits (R), both identified with the party's liberal wing and strong favorites for re-election.

On the Congressional level, former Rep. Francis E. Dorn (R 1953-61), trying for a comeback in the newly

reconstituted 15th District (Bay Ridge, Brooklyn Heights), faces primary opposition from attorney Philip Moyles (R), candidate of a ultra-conservative faction which objects to Dorn's relatively liberal House voting record. Lionel Marks (R), a less extreme conservative, is also opposing Dorn in the primary. In the 17th District (Manhattan - East Side) threatened right-wing opposition to two-term Rep. John V. Lindsay (R) has failed to materialize. In the 26th District (Eastern Westchester County) a primary race is underway between Rep. Edwin B. Dooley (R), who votes a moderately conservative line in the House, and former New York Herald Tribune president Ogden R. Reid (R), who is believed to represent a more liberal philosophy.

In Rhode Island, a contest is on for the Republican gubernatorial nomination between Louis V. Jackvony (R), the former state director of business regulations who is known as a conservative, and State House Minority Leader John H. Chafee (R) of Warwick, representative of a younger and more liberal brand of Republicanism. Chafee June 26 won endorsement of the state Republican committee but is being challenged by Jackvony in the Sept. 11 primary.

No clear liberal-conservative Republican splits have yet been reflected this year in primaries in Delaware, Maryland and Vermont.

Southern States

Completed. Conservatism appears to be on the ascendancy in the resurgent Republican parties throughout the Southern states. Republican candidates chosen to date in Alabama, Florida, Oklahoma, Texas and South Carolina have all represented a staunch conservatism generally akin to that of Sen. Goldwater. On the racial question, the Republican party in Georgia appears to be adopting a more moderate line. In none of these states, however, have there been Republican convention or primary fights in which the issue of conservatism versus liberalism was clearly drawn.

In Kentucky, no serious primary opposition developed against incumbent Sen. Thruston B. Morton (R), a moderate Republican. In the state's 3rd District (Louisville) a May 29 House primary contest was decided in favor of Magistrate M.G. "Gene" Snyder (R), an avowed conservative of the Goldwater school who enjoyed support of the party organization. He defeated State Rep. Jesse O. "Oz" Johnson (R), a liberal Republican, by a decisive margin.

In North Carolina, results of the June 26 primary in the 9th District (West Central) showed Lenoir businessman James T. Broyhill (R), a moderate conservative, defeating W. Leslie Burdick (R), a China Grove publisher and staunch Goldwater Republican, by an eight-to-one margin. Broyhill's superior organization and campaign financing, rather than ideologies, were considered key factors in his victory, however.

Upcoming. No liberal-conservative split seems evident in Republican primary tests in Tennessee, the only Southern state where candidates have not yet been selected.

Midwestern States

Completed. A mixed pattern of victories for conservatives and liberals appears from a review of Republican primaries and conventions held to date in the Midwestern industrial and farm states.

In Illinois, almost all the Republican candidates identified themselves as conservatives in the districts where there was a competition for the nomination in the April 10 primary. The one candidate known as a more liberal Republican, who enjoyed labor support, was State Rep. Ralph Stephenson (R) of Moline, seeing the 19th District (West Central - Moline, Rock Island) U.S. House nomination. He was soundly defeated by State Rep. Robert McLoskey (R) of Monmouth for the nomination to succeed retiring Rep. Robert B. Chiperfield (R).

In Indiana, where Republicanism is traditionally strongly conservative, no "liberal" Republican challenges emerged in the May 8 primary.

In Iowa, the House nomination in the 5th District (Central - Des Moines) was won by Mrs. Sonja Egenes (R), a moderate Republican. She received 12,771 votes to 3,277 for Robert Dilley (R), a Des Moines chapter leader of the John Birch Society who ran a poor fourth.

In Nebraska, no right-wing Republican of stature was willing to challenge former Interior Secretary Fred A. Seaton (R), a moderate Republican, in the May 15 primary. Seaton received an unusually high vote to win over little-known primary opponents.

Conservatives chalked up a major victory, however, in the House primary in the new combined 1st District (East Central - Lincoln). Freshman Rep. Ralph F. Beermann (R), running as a militant conservative, defeated four-term Rep. Phil Weaver (R), known as a more moderate Republican. Nearly complete returns gave Beermann 29,701 votes to 25,445 for Weaver. An analysis of the returns indicated, however, that both men had won the preponderance of votes from counties of their former districts and that this may have been a more important factor than their ideological differences.

In North Dakota, the March 30 Republican endorsing convention picked Republican National Committeeman Mark Andrews (R), an outspoken conservative, over a field of several other candidates. No clear conservative-liberal split was apparent in the nomination fight, however.

In Ohio, moderate conservatism seemed to be the order of the day in the May 8 primary. Winner of the Senate nomination (with reported undercover aid from the state Republican organization of Ray C. Bliss) was business executive John Marshall Briley (R), who has subsequently said his Republicanism is close to that of Sen. Thruston B. Morton (R Ky.). State Sen. Charles E. Fry (R), who was billed as a militant conservative, garnered about 29 percent of the vote in the race against Briley and two other contenders.

In South Dakota, the late Sen. Francis Case (R) won an overwhelming victory over Atty. Gen. A.C. Miller (R), an ultra-conservative, in the June 5 primary. Case was identified as a moderate conservative. The Republican State Central Committee July 14 will designate a candidate to replace Case on the general election ballot.

Upcoming. Liberal-conservative tests still upcoming in the Midwest:

In Kansas, voters will have a chance to pick between moderate and strongly conservative Republicanism in the Aug. 7 Republican Senate primary for the remainder of the term of the late Sen. Andrew F. Schoeppel (R). Representing moderate Republicanism is interim Sen. James B. Pearson (R). His conservative opponent is former Gov. Edward F. Arn (R 1951-55). A close race is anticipated.

In Michigan, no primary opposition whatever materialized against American Motors president George W. Romney (R), symbol of a revitalized and unorthodox Republicanism, even though Romney is considered "too liberal" by many of the staunchly conservative upstate Republicans.

In Minnesota and Missouri, where primaries are set for September and August, no liberal-conservative Republican primary splits are apparent.

In Wisconsin, the gubernatorial endorsement at the May 25-26 Republican convention went to Philip G. Kuehn (R), former Republican state chairman and 1960 gubernatorial candidate who is a militant conservative. He faces a challenge in the Sept. 11 primary, however, from Wilbur Renk (R), a former University of Wisconsin Regent who is considered a moderate Republican. Robert LaFollette Sucher (R), grandson of Robert M. LaFollette Sr. of Progressive party fame, also plans to seek the nomination in the primary.

U.S. Sen. Alexander Wiley (R) won a 2,614-1,046 vote convention endorsement victory over Howard H. Boyle Jr. (R), an ultra-conservative Milwaukee attorney. In 1956 Wiley had been denied convention endorsement because of his relatively liberal Republican leanings. He went on to win in the primary, however.

Western States

Completed. The most important liberal-conservative tests to date came in the California June 5 primary. The top contests in that state were won by party moderates. In the Governorship primary, former Vice President Richard M. Nixon (R) was nominated by a vote of 1,287,599 to 671,247 for Assembly Minority Leader Joseph Shell (R), his right-wing opponent. During the primary Shell had campaigned as an ultra-conservative, stressing the issues of communism and government deficits and refusing to go along with Nixon in a rejection of John Birch Society support.

The liberal-moderate victory was even more dramatic in the Senate race, where Sen. Thomas H. Kuchel (R), a disciple of the moderate Earl Warren brand of California Republicanism, swamped two ultra-conservative opponents who accused him of having a "Fabian socialist" voting record. The vote was 1,331,433 for Kuchel to 243,953 for former American Bar Assn. head Loyd Wright (R) and 181,797 for Los Angeles businessman Howard Jarvis (R).

The decision between party moderates and conservatives was less clear on the Congressional level. Two incumbent Republican Congressmen who had publicly identified themselves as members of the John Birch Society were renominated over opponents who sought to make the Society an issue. In the 25th District (Los Angeles County, San Gabriel Valley) Rep. John H. Rousselot was renominated with 23,007 votes to only 7,651 for Thomas F. Noonan (R), his anti-Birch opponent. In the 27th District (North L.A. County) Rep. Edgar W. Hiestand (R), like Rousselot an avowed Birch Society member, defeated Marshall M. Mercer M.D. (R), a moderate Republican, by a vote of 30,965 to 5,942. In the predominantly Democratic 29th District (Central L.A. County) advertising consultant H.L. Richardson (R), a Birch Society member, won an easy primary victory. Likewise, right-winger Charles S. Foote (R), an ex-Constitution party member, swamped four less conservative opponents in the 22nd District (Northwest L.A. County).

Republican ultra-conservatism received a setback in the 38th District (Southeast California) where right-winger Jack B. Tenney (R), a one-time state senator and much publicized "Communist hunter," ran third in a field of three candidates. The nomination was won by Riverside attorney (Patrick) Minor C. Martin Jr., a party moderate. Martin received 21,492 votes to 13,151 for Leonard M. Campbell (R), another moderate candidate, and 7,262 for Tenney. The Republican state organization had considered Tenney's candidacy a menace to the party and gone all-out to prevent his nomination.

In Idaho, the June 5 Republican Senate primary was won by former State Rep. Jack Hawley (R), 41, a strong conservative who benefitted from a well-financed and well-organized campaign. A substantial vote was received, however, by Alameda Mayor George Hansen (R), 31, who emphasized in the campaign that he thought both Hawley and incumbent Sen. Frank Church (D) were extreme in their views. "The people don't want wild liberals and they don't want negativism," Hansen charged. Despite meagre financing and organization, Hansen received 25,233 votes to 37,896 for Hawley.

In the 2nd District (South) primary, State Rep. Orval Hansen (R), 35, generally considered a moderate Republican, led the field against four other candidates, all staunch conservatives. Forced into a run-off against conservative ex-Rep. John C. Sanborn (R 1947-51), Hansen sewed up the nomination by a 3-2 margin in June 26 voting.

In New Mexico, moderate Republicans defeated ultra-conservative contenders for both the House seats in the May 8 primary. For one House seat, Albuquerque physician Jack C. Redman (R) defeated ultra-conservative James B. Thorsen (R). Redman holds a moderate viewpoint and was critical of Thorsen's charges that the Republican national platform was too liberal. For the other House seat, former Las Vegas Mayor Junio Lopez (R) defeated Don Lohbeck (R) of Albuquerque, who was once associated with Gerald L.K. Smith's ultra right-wing organization.

Upcoming. Neither the Oregon primary held May 18, nor upcoming primaries in Alaska, Arizona, Colorado, Hawaii and Utah, have featured conservative-liberal splits, though some may yet develop. Republicanism in Alaska and Hawaii, the two newest states, tends toward the moderate side. Arizona's Republicanism, deeply influenced by Goldwater, is extremely conservative. The party's complexion in Colorado and Utah varies between conservatism and a more moderate line. The Sept. 11 Colorado Governorship primary will provide some moderate-conservative contrast, with former REA Administrator David A. Hamil (R) and shopping center developer Gerri Von Frellick (R), both middle-of-the-road Republicans, opposed by Colorado Springs Attorney John A. Love (R), an uncompromising conservative.

In Utah, observers will be watching to see whether Salt Lake City Mayor J. Bracken Lee, extreme conservative who once served as the state's Republican Governor, decides to run as an independent in the general election against conservative Sen. Wallace F. Bennett (R). Lee considers Bennett's Senate record, which has the endorsement of such conservative groups as Americans for Constitutional Action, to be too liberal. Running as an independent Senate candidate in 1958, Lee drew sufficient votes from the state's highly-respected senior Republican Senator, Arthur V. Watkins, to cause Watkins' defeat at the hands of Frank E. Moss (D).



On Military Contracts

PENTAGON REPORTS SHIFTS IN DEFENSE PROCUREMENT

The Department of Defense June 23 released a 21 page report, "The Changing Patterns of Defense Procurement," summarizing changes that have taken place since World War II and the Korean War in the nature of items obtained through defense contract awards and the major geographic shifts in defense prime contract procurement. The Pentagon said the data had been provided in "published form as a matter of public interest."

The Defense Department emphasized in a foreword to the report that its data was limited to military prime contracts: half of all hard goods prime contract funds are subcontracted to other suppliers. The report said that data on the geographic distribution of subcontracts was not available.

This fact sheet takes a look at the major findings in the Defense Department report.

Weapons Systems

Changes in the nature of the military hard goods purchased by the Defense Department since the Korean War reflect the arrival of the Missile Age. Of the hard goods provided in fiscal 1953, the final year of the Korean War, 50 percent consisted of such conventional war items as tanks, other vehicles, weapons, ammunition, and similar equipment and hardware. The total of prime contract awards granted for such hard goods by fiscal 1961 had decreased to 12.4 percent. Within the hard goods category, only aircraft and ships showed little relative change in the share of total procurement from fiscal 1953 to fiscal 1961.

The significant weaponry change was in the area of missiles and electronics: missiles accounted for 0.5 percent of hard goods deliveries in fiscal 1953; by fiscal 1961, missiles accounted for 33.6 percent of prime contract awards; electronics accounted for 11.2 percent of deliveries in fiscal 1953; by fiscal 1961, 18 percent of total prime awards.

The report pointed out that the revolutionary changes in space-age weaponry were reflected in manufacturing processes: emphasis was currently upon research and development and upon "fewer, far more costly, weapons units" rather than upon the traditional metal fabricating processes. The report said "in consequence, blue-collar workers are fewer, while scientists, engineers, and technicians multiply in establishments serving defense procurement needs."

Major Geographic Shifts

The Pentagon report showed that the major geographic shift over the past eight years has been from the East North Central and Middle Atlantic areas to the West Coast and Mountain states. (For a listing of the changes affecting each State, see chart next page)

The report showed that the Midwestern states of Michigan, Illinois, Ohio, Indiana and Wisconsin, which had a combined total of 27.4 percent of contract awards

during the Korean period, had an 11.8 percent of prime contracts in fiscal 1961. The report commented that it was "plainly evident that the drop in annual prime awards in the East North Central area (the five Midwestern states) from \$8.7 billion during Korea to \$2.6 billion in FY 1961 had a severe economic impact."

The report indicated that the expansion of missile and electronic procurement explained increases in percentage of contract awards for the Mountain and Pacific States (18.6 percent during Korea; 32.6 percent in fiscal 1961) and of the higher share of awards to firms and plants in such states as Massachusetts, Texas, Florida, California and Colorado.

Research & Development

The Pentagon report gave special attention to the geographic distribution of contract awards in fiscal 1961 for research, development, testing and evaluation (RDT&E) purposes. The contracts awarded for RDT&E work in fiscal 1961 totaled \$6 billion, approximately one-fourth of all prime contract awards.

The report showed that 57.9 percent of all missile awards and 24.9 percent of all electronic awards in fiscal 1961 were for RDT&E work. The contracts were concentrated in California and the coastal strip area from Boston to Washington D.C., with some benefits accruing also to certain Mountain and Southern States. (For RDT&E awards to each state see chart)

The leading states were: California 41.3%; New York 12.2%; Massachusetts 5.8%; Washington 4.9%; Colorado 4.9%; New Jersey 3.8%; Pennsylvania 3.7%; Maryland 3.3%; Utah 3.0%; Florida 2.5%; Ohio 2.3% and Connecticut 2.0%. The study brought out that "barely 10 percent of the total RDT&E effort was contracted with business and non-profit firms in the other 38 states."

The Pentagon commented that these findings were "of major importance" because a company which had conducted RDT&E work was "obviously in an exceptionally strong position to compete for the follow-on production contracts, and for new developmental contracts." The report said "it is logical, then, that production contracts for the newer sophisticated items, which will figure heavily in future procurement, may tend to be placed in areas where RDT&E effort has been centered."

The report emphasized that while "only" 2½ percent of the total RDT&E program went to basic research "its long-range importance far exceeds its dollar allocation." The total of prime awards to universities and non-profit organizations in fiscal 1961 was \$431 million, half of which went to Massachusetts and California.

The report said Defense policy was to award contracts on merit: "Local initiative seeking defense business must direct itself to the creation of capability responsive to the exacting needs of modern warfare. Communities which fail to recognize this fact, and which fail to energize and mobilize their institutions to adjust to it, cannot reasonably anticipate a major role in future defense procurement."

Military Prime Contract Awards, by State and Region

	TOTAL CONTRACTS						RESEARCH & DEVELOPMENT CONTRACTS ONLY ³ (Fiscal Year 1961)	
	WW II (FY 40-45) ¹		Korea (FY 51-53) ²		Fiscal Year 1961 ²		Change in Percentage, Korea to FY 1961	
	Amount	% of U.S.	Amount	% of U.S.	Amount	% of U.S.		
	1	2	3	4	5	6	7	8
NEW ENGLAND	\$ 18,507,000,000	8.9	\$ 7,719,000,000	8.1	\$ 2,334,000,000	10.5	+ 2.4	\$ 489,400,000
Maine	1,304,000,000	0.6	345,000,000	.4	97,000,000	.4	---	128,000,000
New Hampshire	422,000,000	0.2	174,000,000	.2	105,000,000	.5	+ 0.3	10,664,000
Vermont	221,000,000	0.1	105,000,000	.1	16,000,000	.1	---	1,386,000
Massachusetts	7,246,000,000	3.5	2,613,000,000	2.8	1,072,000,000	4.8	+ 2.0	348,292,000
Rhode Island	1,468,000,000	0.7	457,000,000	.5	26,000,000	.1	- .4	5,601,000
Connecticut	7,846,000,000	3.8	4,025,000,000	4.2	1,018,000,000	4.6	+ .4	123,295,000
MIDDLE ATLANTIC	49,086,000,000	23.6	23,864,000,000	25.1	4,397,000,000	19.9	- 5.2	1,187,500,000
New York	21,832,000,000	10.5	14,545,000,000	15.3	2,643,000,000	12.0	- 3.3	734,934,000
New Jersey	13,101,000,000	6.3	5,017,000,000	5.3	950,000,000	4.3	- 1.0	228,280,000
Pennsylvania	14,153,000,000	6.8	4,302,000,000	4.5	804,000,000	3.6	- .9	224,239,000
EAST NORTH CENTRAL	67,341,000,000	32.4	26,087,000,000	27.4	2,606,000,000	11.8	-15.6	395,500,000
Ohio	17,205,000,000	8.3	6,026,000,000	6.3	1,004,000,000	4.5	- 1.8	137,502,000
Indiana	10,021,000,000	4.8	4,316,000,000	4.5	353,000,000	1.6	- 2.9	29,488,000
Illinois	13,383,000,000	6.4	4,764,000,000	5.0	437,000,000	2.0	- 3.0	61,984,000
Michigan	21,755,000,000	10.5	9,049,000,000	9.5	590,000,000	2.7	- 6.8	92,313,000
Wisconsin	4,977,000,000	2.4	1,932,000,000	2.0	222,000,000	1.0	- 1.0	74,239,000
WEST NORTH CENTRAL	11,645,000,000	5.6	6,511,000,000	6.8	1,285,000,000	5.8	- 1.0	83,500,000
Minnesota	1,932,000,000	0.9	978,000,000	1.0	189,000,000	.9	- .1	51,378,000
Iowa	1,286,000,000	0.6	761,000,000	.8	127,000,000	.6	- .2	5,501,000
Missouri	4,103,000,000	2.0	2,217,000,000	2.3	338,000,000	1.5	- .8	18,226,000
North Dakota	9,000,000	---	5,000,000	---	13,000,000	.1	+ .1	---
South Dakota	71,000,000	---	26,000,000	---	28,000,000	.1	+ .1	292,000
Nebraska	1,130,000,000	0.6	353,000,000	.4	51,000,000	.2	- .2	5,011,000
Kansas	3,114,000,000	1.5	2,171,000,000	2.3	539,000,000	2.4	+ .1	3,092,000
SOUTH ATLANTIC	14,940,000,000	7.2	7,145,000,000	7.6	2,345,000,000	10.6	+ 3.0	461,300,000
Delaware	392,000,000	0.2	541,000,000	.6	71,000,000	.3	- .3	2,272,000
Maryland	5,163,000,000	2.5	2,216,000,000	2.3	528,000,000	2.4	+ .1	198,643,000
District of Columbia	158,000,000	0.1	720,000,000	.8	150,000,000	.7	- .1	24,010,000
Virginia	2,275,000,000	1.1	927,000,000	1.0	505,000,000	2.3	+ 1.3	18,729,000
West Virginia	1,008,000,000	0.5	183,000,000	.2	19,000,000	.1	- .1	42,252,000
North Carolina	1,861,000,000	0.9	825,000,000	.9	237,000,000	1.1	+ .2	16,142,000
South Carolina	859,000,000	0.4	371,000,000	.4	41,000,000	.2	- .2	188,000
Georgia	1,797,000,000	0.8	1,019,000,000	1.1	301,000,000	1.4	+ .3	6,011,000
Florida	1,427,000,000	0.7	343,000,000	.4	493,000,000	2.2	+ 1.8	153,063,000
SOUTH CENTRAL	18,200,000,000	8.8	6,084,000,000	6.4	1,812,000,000	8.2	+ 1.8	106,100,000
Kentucky	1,055,000,000	0.5	242,000,000	.3	46,000,000	.2	- .1	890,000
Tennessee	1,774,000,000	0.9	702,000,000	.7	144,000,000	.7	---	27,001,000
Alabama	2,116,000,000	1.0	512,000,000	.5	106,000,000	.5	---	7,640,000
Mississippi	717,000,000	0.3	198,000,000	.2	69,000,000	.3	+ .1	894,000
Arkansas	635,000,000	0.3	210,000,000	.2	47,000,000	.2	---	414,000
Louisiana	2,002,000,000	1.0	656,000,000	.7	139,000,000	.6	- .1	1,689,000
Oklahoma	1,922,000,000	0.9	557,000,000	.6	123,000,000	.6	---	4,551,000
Texas	7,979,000,000	3.9	3,007,000,000	3.2	1,138,000,000	5.1	+ 1.9	63,059,000
MOUNTAIN	2,387,000,000	1.2	641,000,000	.7	1,267,000,000	5.7	+ 5.1	516,700,000
Montana	82,000,000	---	25,000,000	---	95,000,000	.4	+ .4	16,000
Idaho	148,000,000	0.1	41,000,000	---	14,000,000	.1	+ .1	---
Wyoming	130,000,000	0.1	20,000,000	---	24,000,000	.1	+ .1	3,475,000
Colorado	706,000,000	0.3	181,000,000	.2	466,000,000	2.1	+ 1.9	293,528,000
New Mexico	135,000,000	0.1	70,000,000	.1	350,000,000	1.6	+ 1.5	13,249,000
Arizona	361,000,000	0.2	43,000,000	---	9,000,000	---	---	23,858,000
Utah	551,000,000	0.3	81,000,000	.1	64,000,000	.3	+ .2	181,118,000
Nevada	274,000,000	0.1	180,000,000	.2	245,000,000	1.1	+ .9	1,494,000
PACIFIC	25,509,000,000	12.3	17,040,000,000	17.9	5,951,000,000	26.9	+ 9.0	2,786,700,000
Washington	4,456,000,000	2.2	3,809,000,000	4.0	646,000,000	2.9	- 1.1	293,684,000
Oregon	2,077,000,000	1.0	263,000,000	.3	28,000,000	.1	- .2	1,377,000
California	18,976,000,000	9.1	12,968,000,000	13.6	5,277,000,000	23.9	+10.3	2,491,669,000
ALASKA and HAWAII	---	---	---	---	119,000,000	.6	---	1,200,000
GRAND TOTAL	\$207,615,000,000	100.0%	\$95,092,000,000	100.0%	\$22,112,000,000	100.0%	---	\$6,027,900,000

NOTE: State figures may not add to totals because of rounding.

² Supply, Service, Construction and Facility contracts of \$10,000 or more.¹ Supply contracts of \$50,000 or more, and construction and facility contracts of \$25,000 or more. Service contracts are excluded.³ Contracts of \$10,000 or more.

SOURCE: DEPARTMENT OF DEFENSE



Around The Capitol

SUPREME COURT RULES PRAYERS IN PUBLIC SCHOOLS ILLEGAL

The Supreme Court June 25 ruled 6-1 that recitation of official prayers in the public schools was unconstitutional. The case (Engel v. Vitale) involved recitation in the New Hyde Park, Long Island, public schools of a 22-word non-denominational prayer sponsored by the New York State Board of Regents. Justice Potter Stewart dissented and Justices Felix Frankfurter and Byron R. White did not participate in the decision.

In the majority opinion, Justice Hugo L. Black held that recitation of prayers in public schools violated the 1st Amendment to the U.S. Constitution, which forbade government establishment or sponsorship of a religion. Black said the 1st Amendment "must at least mean that in this country it is no part of the business of government to compose official prayers for any group of the American people to recite as part of a religious program carried on by government." He said the prayer violated the 1st Amendment regardless of the fact that it was "denominationally neutral" and that a child who objected was not required to participate.

Black said, "The 1st Amendment was added to the Constitution to stand as a guarantee that neither the power nor the prestige of the Federal Government would be used to control, support or influence the kinds of prayer the American people can say...." He said that under the 1st Amendment, "government in this country, be it state or federal, is without power to prescribe by law any particular form of prayer which is to be used as an official prayer in carrying on any program of governmentally sponsored religious activity."

The American Civil Liberties Union and a variety of Jewish organizations supported the decision. Protestant

church opinion was divided. Spokesmen for the Roman Catholic church denounced the ruling.

The decision was attacked by some in Congress, particularly by Southern Representatives. Constitutional amendments to overrule the Court's decision were offered in both Houses. Chairman James O. Eastland (D Miss.) of the Senate Judiciary Committee said hearings would be held early in July on the proposed amendments. Chairman Emanuel Celler (D N.Y.) of the House Judiciary Committee supported the Court decision and opposed the amendments.

Former President Dwight D. Eisenhower (R 1953-61) did not comment directly on the ruling but said, "I always thought that this nation was essentially a religious one."

President Kennedy at his June 27 press conference said the "easy remedy" for Americans was to "pray a good deal more at home and attend our churches with a good deal more fidelity." He said it was "important for us if we are going to maintain our constitutional principle that we support the Supreme Court decisions even when we may not agree with them."

RELATED DEVELOPMENT -- June 27 -- Sen. Wayne Morse (D Ore.) postponed a House-Senate conference on HR 8900, a bill providing federal funds for construction of college classrooms and laboratories, including church institutions, saying "possible implications" of the Court decision had to be studied first. President Kennedy at his June 27 press conference indicated he thought direct grants to sectarian and church-related colleges, as provided in the House version of HR 8900, were constitutionally permissible. (Weekly Report p. 792)

STATUS OF APPROPRIATIONS, 87th CONGRESS, 2nd SESSION

Agency	Weekly Report Page No.	Requested	HOUSE		SENATE		Final
			Committee	Passed	Committee	Passed	
Agriculture Commerce Defense (HR 11289)	1004	\$47,907,000,000	\$47,839,491,000	\$47,839,491,000	\$48,429,221,000	\$48,429,221,000	
District of Columbia (HR 12276)	1094	\$ 35,199,000	33,199,000	33,199,000			
Federal Payment		299,134,478	290,059,000	290,059,000			
District Budget							
Independent Offices							
Interior (HR 10802)	1009	930,674,000	868,595,000	868,595,000	916,560,820	922,560,820	
Labor-HEW (HR 10904)	494	5,284,831,000	5,170,788,000	5,170,788,000			
Legislative (HR 11151)	584	114,078,425	113,733,890	113,733,890			
Public Works							
State-Justice-Judiciary							
Treasury-Post Office, Exec. Offices (HR 10526)	495	5,575,386,000	5,461,671,000	5,461,671,000	5,526,558,000	5,526,558,000	
Foreign Aid							
Regular							
Peace Corps (HR 10700)							
Military Construction							
2nd Supplemental, FY 1962 (HR 11038)	1087	547,902,000	431,807,000	447,514,000	487,802,980	560,008,344	
Veteran's Administration Supplemental, FY 1962 (HJ Res 612)	202	151,200,000	55,000,000	55,000,000	55,000,000	55,000,000	\$55,000,000

PRESS CONFERENCE HIGHLIGHTS

Highlights of President Kennedy's June 27 press conference: (For full text, see p. 1113)

● **Formosa and Quemoy-Matsu:** U.S. policy "remains just what it had been...since 1955." The U.S. would defend Quemoy and Matsu from any attack which was a part of an attack on Formosa and the Pescadores. The President said he thought Nationalist China's December 1954 pledge not to take forceful action against the mainland without the consent of the United States "still governs." He said "our interest in this area is defensive and we would like to have a renunciation of the use of force."

RELATED DEVELOPMENT -- June 23 -- U.S. Ambassador to Poland John Moors Cabot reportedly told the

Chinese Communist Ambassador in Warsaw that the United States would not support any attempt by the Chinese Nationalist Government on Formosa to land forces on the mainland. He also told the Chinese representative that the U.S. was committed by treaty to defend the Nationalist Chinese against an attack on Formosa and the islands it holds off the Chinese mainland.

● **Legislative Program.** The President said the Democrats "haven't gotten the legislative program. I don't think we should go home until we get a good deal more of it by." He said "some Democrats vote with the Republicans and have for a good many years.... That is why the election in November is an important one, because if we can gain some more seats, we will have a workable majority...." (For comments on farm bill, see p. 1089-92)

Index to Latest CQ Coverage of Major Issues

(Dates listed in the Congressional Boxscore, inside front cover, also may be used as a guide in locating specific CQ committee and floor action stories on major legislation. For complete references to all topics, see the CQ Index, published quarterly.)

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		Fact Sheet	Other
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Civil Defense	420	----	630
Communications Satellites	1019	----	1055
Communist Passports	1017	287	----
Communist Propaganda	431	----	503
Foreign Aid	293	----	1007
Military Construction	418	----	1086
Military Procurement	414	----	585
Military 'Muzzling'	1018	68	965
Stockpile Investigation	----	----	1067
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Wilderness	442	----	853

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		Fact Sheet	Other
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On Federal Grants-in Aid

FEDERAL GRANTS TO STATES UP 7 PERCENT IN 1961

Following a slight decline in fiscal 1960, Federal grants-in-aid to state and local governments and to individuals resumed their upward trend and hit a new high in fiscal 1961, according to data published in the Treasury Department. Following are highlights of the 1961 data.

- Grants to state and local governments for all purposes rose by 1 percent, from \$7,011 million to \$7,102 million, continuing a trend unbroken since fiscal 1953. The largest change in this category, comprising 63 separate programs, was a decrease of \$322 million in highway grants, as opposed to a net increase of \$328 million for the program in fiscal 1960.

- Total grants in 1961 amounted to \$9,826 million compared with \$9,175 million in fiscal 1960 -- a rise of \$651 million, contrasted with a decrease of \$415 million or 4 percent from 1959 to 1960. Federal tax collections increased by \$2,626 million in fiscal 1961 to \$94,401,000. The ratio of grants to tax collections remained at 10 percent. (See Table I, below.)

- The slim increase in grants to state and local governments was overshadowed by the increase of 26 percent in grants to individuals, attributable primarily to payments under the temporary extended unemployment compensation program enacted March 24, 1961. (1961 Almanac p. 270)

Further details concerning grants appear in the accompanying tables, as follows:

Table I -- This shows the amounts spent from fiscal 1953 through fiscal 1961 for total grants, grants to state and local governments, and grants to individuals, together with the percentage increase or decrease for each category since the previous year and since 1953. Amounts listed as "Federal Tax Collections" are actually "Internal Revenue Collections" and do not include customs receipts and some other items. They do include social security payroll taxes, however, while social security benefit payments are not included in grants to individuals. Thus the ratio of grants to taxes shown is only a rough indicator of relationship in any single year; it does serve to point up the overall trend, however.

Table II -- This shows the relative "benefit-to-burden" standing of the 50 states, determined by dividing each state's share of total grants paid in 1961 by its share of total Federal tax payments. (Both of these figures also appear in Table III). Because actual tax collections in each state do not accurately reflect the true incidence of taxation (auto, liquor, and tobacco excise collections, for example, are credited to the home states of manufacturers although the taxes are in turn paid by every purchaser of these products), CQ used

Recent Trends in Grants-in-Aid*

Table I

(By fiscal years, in millions of dollars)

	1953	1954	1955	1956	1957	1958	1959	1960	1961
Total Grants	\$ 4,054	\$ 4,284	\$ 4,595	\$ 5,152	\$ 6,468	\$ 7,421	\$ 9,590	\$ 9,175	\$ 9,826
To state, local govts. only	2,802	3,005	3,149	3,463	4,064	4,932	6,457	7,011	7,102
To individuals only	1,252	1,279	1,446	1,689	2,404	2,488	3,134	2,163	2,724
INCREASE OR DECREASE SINCE PRECEDING YEAR									
Total Grants	---	+ 6%	+ 7%	+ 12%	+ 25%	+ 15%	+ 29%	- 4%	+ 7%
To state, local govts. only	---	+ 7%	+ 5%	+ 10%	+ 17%	+ 21%	+ 31%	+ 9%	+ 1%
To individuals only	---	+ 2%	+ 13%	+ 17%	+ 42%	+ 3%	+ 26%	- 31%	+ 26%
INCREASE OR DECREASE FROM 1953									
Total Grants	---	+ 6%	+ 13%	+ 27%	+ 59%	+ 83%	+ 136%	+ 126%	+ 142%
To state, local govts. only	---	+ 7%	+ 12%	+ 24%	+ 45%	+ 76%	+ 130%	+ 150%	+ 153%
To individuals only	---	+ 2%	+ 15%	+ 35%	+ 92%	+ 99%	+ 150%	+ 73%	+ 118%
Federal Tax Collections	\$69,687	\$69,920	\$66,289	\$75,113	\$80,172	\$79,978	\$79,798	\$91,775	\$94,401
Portion of federal taxes returned to states as grants	6%	6%	7%	7%	8%	9%	12%	10%	10%

*Includes shared revenues and loans.

"tax-burden" figures prepared by Tax Foundation, Inc. based on a special allocation formula as applied to estimated 1961 revenues. States were then ranked in order of their "benefit-to-burden" ratio, ranging from Alaska, whose relative share of grants was 4.45 times its relative share of taxes, to Delaware, where the relative share of grants was only 42 percent of its relative share of taxes.

Table III -- This shows, for each state, total grants, population, and per capita share of grants for fiscal 1961 and fiscal 1960, as well as percentage shares of total 1961 grants and the Federal tax burden, as described above. Grants averaged \$54 per capita, based on the July 1961 census estimates of population, and ranged from \$207 per capita in Alaska to \$31 per capita in New Jersey. There is a rough correlation, it will be noted, between a state's per capita share of grants and its "benefits-to-burden" standing in Table II. (Reasons for the wide variation in these figures are discussed below.)

Table IV -- This shows each state's allocations under the nine largest grant programs of 1961, which together accounted for 67 percent of all grant funds. Three programs alone -- highways, old-age assistance, and aid to dependent children -- took 46 percent of the \$9.8 billion total. After the nine largest, the next eleven programs, ranging from \$220 million for Agricultural Conservation to \$87 million for the special school milk program, accounted for an additional 18 percent of the total. Allocations under the nine largest programs suggest the extent to which grants vary. For example, the five states receiving the largest amounts for highways were California, Illinois, New York, Texas and Ohio, in that order. Largest grants for old-age assistance went to California, Texas, Louisiana, Oklahoma and Missouri, while the top five recipients of conservation reserve program funds were Texas, North Dakota, Minnesota, South Dakota and Kansas. Only Texas appears in all three groups, only California in two of the three. Although not in the same order, the states named above are the same ones that appeared in those groups in fiscal 1960.

Background

Many factors help to account for the uneven distribution of grants-in-aid, both within programs and as between programs. Allocation formulas vary from one program to the next; some, like the public assistance programs administered by the Department of Health, Education, and Welfare, are "intended to provide the highest percentages of Federal participation to the low-income states, which generally have relatively large proportions of needy people and make relatively low assistance payments," according to HEW. Such programs redistribute income, in effect, from high-income to low-income states.

Other programs, like readjustment benefits paid to veterans, result in allocations that vary largely according to population. Another type of program tends to benefit some states much more than others because of the less-than-national character of the need to be met. This is true of payments to farmers under the conservation reserve section of the "soil bank" program, heavily concentrated in the farm belt; and of urban renewal and public housing payments, concentrated in the more urban states.

How States Rank

Table II

The redistributive effect of Federal grants is shown by dividing each state's share of total grants (Column 1) by its share of the 1961 Federal tax burden (Column 2), yielding a "benefit-to-burden" ratio or index (Column 3) according to which 34 states (and the District of Columbia) received relatively more in grants than they paid in taxes, while 16 states received relatively less. States are ranked according to this index.

Rank	State	1	2	3
1.	Alaska	0.49%	0.11%	4.45
2.	North Dakota	0.86	0.21	4.09
3.	South Dakota	0.84	0.22	3.81
4.	Mississippi	1.56	0.46	3.39
5.	Wyoming	0.58	0.18	3.22
6.	Arkansas	1.32	0.45	2.93
7.	New Mexico	0.98	0.37	2.64
8.	Montana	0.74	0.30	2.46
9.	Idaho	0.61	0.26	2.34
10.	Oklahoma	2.19	0.94	2.32
11.	Alabama	2.25	0.97	2.31
12.	Vermont	0.36	0.17	2.11
13.	Louisiana	2.50	1.23	2.03
14.	Utah	0.75	0.37	2.02
15.	Tennessee	2.27	1.19	1.90
16.	South Carolina	1.23	0.65	1.89
17.	Georgia	2.48	1.33	1.86
18.	Kentucky	1.75	1.03	1.69
19.	West Virginia	1.14	0.68	1.67
20.	Nebraska	1.02	0.65	1.56
21.	Hawaii	0.52	0.34	1.52
22.	Arizona	0.93	0.62	1.50
23.	Colorado	1.41	0.97	1.45
24.	Oregon	1.38	0.95	1.45
25.	Kansas	1.39	0.96	1.44
26.	District of Columbia	0.95	0.69	1.37
27.	North Carolina	1.98	1.45	1.36
28.	Nevada	0.28	0.21	1.33
29.	Minnesota	2.15	1.64	1.31
30.	Iowa	1.42	1.15	1.23
31.	Maine	0.54	0.44	1.22
32.	Texas	4.94	4.26	1.15
33.	New Hampshire	0.38	0.33	1.15
34.	Missouri	2.62	2.28	1.14
35.	Washington	1.73	1.58	1.09
36.	Virginia	1.66	1.70	0.97
37.	Rhode Island	0.47	0.52	0.90
38.	Florida	2.21	2.52	0.87
39.	Indiana	1.92	2.29	0.83
40.	Michigan	3.62	4.47	0.80
41.	Wisconsin	1.66	2.07	0.80
42.	Ohio	4.37	5.74	0.76
43.	Massachusetts	2.67	3.53	0.75
44.	California	8.43	11.16	0.75
45.	Maryland	1.32	1.94	0.68
46.	Illinois	4.65	6.93	0.67
47.	Pennsylvania	4.58	6.92	0.66
48.	Connecticut	1.16	2.22	0.52
49.	New York	6.71	13.54	0.49
50.	New Jersey	1.97	4.29	0.45
51.	Delaware	0.22	0.52	0.42

Federal Grants-in-Aid - 3

Following are the formulas governing allocation of funds under certain typical grant programs.

● **HIGHWAYS** -- Two formulas apply. Funds for primary, secondary, and urban roads (the so-called ABC system), are distributed as follows: one-third in the ratio of a state's area to total U.S. area; one-third in the ratio of a state's rural population to total U.S. rural population in 1940; and one-third in the ratio of a state's rural delivery and star route mileage to total such mileage in the U.S. Funds for the interstate system were distributed for fiscal 1957-59 as follows: one-half according to population and one-half according to the foregoing formula for ABC roads. This was then revised to conform with new estimates of the cost to complete the system. States must match Federal grants for ABC roads dollar for dollar, but 90 percent of the cost of the interstate system is met with Federal funds.

● **OLD-AGE ASSISTANCE** -- Federal funds equal four-fifths of the first \$31 of a maximum average monthly payment of \$66 per recipient plus a percentage of the next \$35 of such average payment, which varies according to the average per capita income in the state for the most recent three years; except that the Federal share of payments in any state shall not be less than 50 percent nor more than 65 percent. Unlike the highway programs, in which total Federal grants are limited by Congressional authorization, old-age assistance is an "open-end" program in which total Federal grants are limited only by the "load" of persons qualifying for assistance under the various state programs.

● **HOSPITAL CONSTRUCTION** -- Under the Hill-Burton Act of 1946, Federal grants for construction of hospitals and medical facilities are allotted to the states in the ratio which the population of each state, weighted by the square of its allotment percentage, bears to the sum of the corresponding products of weighted populations for all of the states. The allotment percentage is tied to a state's per capita income. Total Federal grants are limited by appropriations (\$185 million in fiscal 1961); matching requirements vary according to a state's fiscal ability, ranging from one-third to two-thirds of project costs.

● **POLLUTION CONTROL** -- Grants for the construction of waste treatment facilities, limited to a maximum of 30 percent of cost or \$600,000 for any single project, are allotted to the states as follows: one-half according to population, and one-half according to per capita income. Total grants under the program are limited to the amount of the authorization -- \$80 million for fiscal 1962, \$90 million for fiscal 1963, and \$100 million for each of fiscal years 1964-67.

● **SCHOOL AID** -- Grants to build and operate schools have been paid since 1950 to school districts overburdened by Federal activities in their areas. Neither of the two laws governing the program requires allocation

of funds by state or local matching; total grants are limited only by the extent of demand. Payments are related to per-pupil costs in the areas affected and vary with the category of children involved, being higher for those whose parents both work and live on Federal property than for those whose parents either work or live on Federal property.

● **AIRPORT CONSTRUCTION** -- Federal grants to pay one-half the cost of building airports were authorized in 1946; a three-year extension enacted in 1961 authorized total grants of \$75 million per year, of which \$50 million is allocated to the states according to their area and population, and \$17 million at the discretion of the Federal Aviation Agency, and the rest used for special purposes.

Outlook

It is more than likely that grants to state and local governments and to individuals will pass the \$10 billion mark in fiscal 1962, because of increased expenditures under some present programs and the addition of new programs.

Where President Eisenhower had called for "orderly withdrawal" of federal construction grants to airports, President Kennedy asked, in 1961, for a five year, \$75-million-a-year extension of the program with authority (as before) to make contracts in advance of appropriations. But the House balked at this provision and the bill sent to him authorized a three-year extension contingent upon appropriations. A two-year grant of \$150 million was included in a final money bill approved Sept. 27, 1961.

Eisenhower, in 1960, vetoed a bill raising the annual authorization for grants for the construction of water treatment facilities from \$50 million to \$90 million. Last year the Kennedy Administration recommended, and got, increases in water pollution grants. As signed into law the authorization bill increased water pollution construction grants to \$80 million for fiscal 1962, \$90 million for fiscal 1963 and \$100 million for each of fiscal years 1964-1967.

Last year's extension of aid to dependent children to include dependent children of the unemployed was expected to increase the cost of the program by an estimated \$200 million during the 14-month period, May 1, 1961 - June 30, 1962.

The Housing Act of 1961 authorized grants of \$2 billion for urban renewal, \$25 million of which was set aside for grants to local agencies to cover two-thirds of the cost of mass-transportation demonstration projects. In addition, the bill provided for the federal government to pay 20 to 30 percent of the cost of open spaces acquired in and around urban areas to create areas for recreational, conservation, scenic and historic purposes, and authorized \$50 million for the program.

State Allocations of U.S. Grants-in-Aid

Table III

Columns may not add to totals shown because of rounding.

	1961 Allocation	1961 Est. Population	1961 Per Capita Allocations	1960 Allocations	1960 Population	1960 Per Capita Allocations	1961 Share of Allocations	1961 Share of Federal Tax Burden*
	1	2	3	4	5	6	7	8
ALABAMA	\$ 221,154,000	3,302,000	\$ 67	\$ 198,015,000	3,267,000	\$ 61	2.25%	.97%
ALASKA	48,441,000	234,000	207	55,415,000	226,000	245	.49	.11
ARIZONA	91,701,000	1,391,000	66	84,117,000	1,302,000	65	.93	.62
ARKANSAS	129,735,000	1,797,000	72	120,247,000	1,786,000	67	1.32	.45
CALIFORNIA	829,170,000	16,397,000	51	677,584,000	15,717,000	43	8.43	11.16
COLORADO	138,834,000	1,781,000	78	136,436,000	1,754,000	78	1.41	.97
CONNECTICUT	114,730,000	2,614,000	44	89,835,000	2,535,000	35	1.16	2.22
DELAWARE	21,948,000	458,000	48	20,485,000	446,000	46	.22	.52
D. OF C.	93,416,000	761,000	123	81,215,000	764,000	106	.95	.69
FLORIDA	217,351,000	5,222,000	42	211,673,000	4,952,000	43	2.21	2.52
GEORGIA	243,724,000	3,987,000	61	229,794,000	3,943,000	58	2.48	1.33
HAWAII	51,144,000	657,000	78	41,343,000	633,000	65	.52	.34
IDAHO	60,785,000	684,000	89	61,877,000	667,000	93	.61	.26
ILLINOIS	457,511,000	10,258,000	45	437,789,000	10,081,000	43	4.65	6.93
INDIANA	188,759,000	4,711,000	40	171,386,000	4,662,000	37	1.92	2.29
IOWA	139,719,000	2,779,000	50	155,534,000	2,758,000	56	1.42	1.15
KANSAS	137,494,000	2,194,000	63	140,370,000	2,179,000	64	1.39	.96
KENTUCKY	172,841,000	3,076,000	56	180,437,000	3,038,000	59	1.75	1.03
LOUISIANA	245,904,000	3,321,000	74	251,931,000	3,257,000	77	2.50	1.23
MAINE	53,893,000	992,000	54	56,291,000	969,000	58	.54	.44
MARYLAND	130,189,000	3,188,000	41	106,483,000	3,101,000	34	1.32	1.94
MASSACHUSETTS	262,630,000	5,234,000	50	244,748,000	5,149,000	48	2.67	3.53
MICHIGAN	356,158,000	7,954,000	45	277,771,000	7,823,000	35	3.62	4.47
MINNESOTA	211,785,000	3,470,000	61	195,627,000	3,414,000	57	2.15	1.64
MISSISSIPPI	154,098,000	2,215,000	70	137,717,000	2,178,000	63	1.56	.46
MISSOURI	258,409,000	4,378,000	59	260,983,000	4,320,000	60	2.62	2.28
MONTANA	73,538,000	682,000	108	68,692,000	675,000	102	.74	.30
NEBRASKA	100,937,000	1,431,000	71	83,099,000	1,411,000	59	1.02	.65
NEVADA	28,015,000	299,000	94	23,108,000	285,000	81	.28	.21
NEW HAMPSHIRE	38,043,000	621,000	61	40,227,000	607,000	66	.38	.33
NEW JERSEY	193,745,000	6,244,000	31	158,422,000	6,067,000	26	1.97	4.29
NEW MEXICO	96,301,000	983,000	98	86,658,000	951,000	91	.98	.37
NEW YORK	660,045,000	17,033,000	39	655,889,000	16,782,000	39	6.71	13.54
NORTH CAROLINA	194,843,000	4,614,000	42	198,783,000	4,556,000	44	1.98	1.45
NORTH DAKOTA	85,230,000	640,000	133	86,252,000	632,000	138	.86	.21
OHIO	429,586,000	9,876,000	43	371,172,000	9,706,000	38	4.37	5.74
OKLAHOMA	215,277,000	2,360,000	91	189,735,000	2,328,000	81	2.19	.94
OREGON	136,430,000	1,799,000	76	136,340,000	1,769,000	77	1.38	.95
PENNSYLVANIA	450,156,000	11,468,000	39	399,721,000	11,319,000	35	4.58	6.92
RHODE ISLAND	47,139,000	867,000	54	42,601,000	859,000	50	.47	.52
SOUTH CAROLINA	121,705,000	2,407,000	51	120,483,000	2,383,000	51	1.23	.65
SOUTH DAKOTA	82,559,000	690,000	120	74,669,000	680,000	110	.84	.22
TENNESSEE	223,916,000	3,615,000	62	203,004,000	3,567,000	57	2.27	1.19
TEXAS	485,855,000	9,788,000	50	534,352,000	9,580,000	56	4.94	4.26
UTAH	74,181,000	916,000	81	77,740,000	891,000	87	.75	.37
VERMONT	36,338,000	395,000	92	33,534,000	390,000	86	.36	.17
VIRGINIA	163,301,000	4,059,000	40	151,000,000	3,967,000	38	1.66	1.70
WASHINGTON	170,827,000	2,902,000	59	158,827,000	2,853,000	56	1.73	1.58
WEST VIRGINIA	112,416,000	1,850,000	61	113,740,000	1,860,000	61	1.14	.68
WISCONSIN	163,183,000	4,022,000	41	161,824,000	3,952,000	41	1.66	2.07
WYOMING	57,403,000	338,000	170	57,342,000	330,000	174	.58	.18
TERRITORIES	137,349,000			126,123,000				
UNDISTRIBUTED	216,439,000			196,186,000				
TOTAL	\$9,826,279,000	182,953,000	\$ 54	\$ 9,174,632,000	179,323,000	\$ 51	100.00%	100.00%

*Computed by Tax Foundation, Inc.

SOURCE: TREASURY DEPARTMENT, CENSUS BUREAU

Grants-in-Aid: Nine Largest Programs

Table IV

(Fiscal 1961)

	Highways	Old-Age Assistance	Aid to Dependent Children	Temporary Extended Unemployment Compensation	Army National Guard	Unemployment Compensation	Conservation Reserve Program	Readjustment Benefit	Air Force National Guard
	1	2	3	4	5	6	7	8	9
Ala.	\$ 59,508,889	\$ 48,028,183	\$ 8,861,376	\$ 8,262,342	\$ 11,134,996	\$ 4,490,876	\$ 5,476,536	\$ 8,800,165	\$ 2,774,787
Alaska	9,911,868	730,691	1,022,129	498,556	2,543,270	1,417,140	--	85,069	904,411
Ariz.	31,556,978	7,608,575	9,230,483	2,348,669	2,373,612	4,146,201	103,223	2,517,444	2,965,255
Ark.	30,664,909	26,923,916	4,423,280	1,886,340	6,695,424	3,428,596	7,293,816	3,009,370	2,033,805
Calif.	210,678,363	145,375,793	82,892,875	53,161,167	18,821,175	41,899,311	2,765,646	27,308,944	7,115,708
Colo.	29,677,099	28,286,502	8,273,203	1,314,838	2,348,534	3,383,255	10,114,196	4,249,284	3,287,532
Conn.	36,282,846	7,795,210	6,672,025	7,332,044	5,520,203	5,698,310	102,937	2,518,896	1,671,241
Del.	5,946,851	545,769	1,459,873	1,480,218	2,603,000	807,714	315,614	248,990	1,010,770
D. C.	16,987,236	1,602,744	5,588,705	967,228	1,545,345	2,739,978	--	6,031,389	1,936,659
Fla.	73,889,647	35,984,214	14,833,781	6,601,236	6,195,042	6,547,963	2,294,727	9,785,447	1,524,691
Ga.	56,789,023	41,648,836	13,405,417	7,503,064	10,200,346	4,594,782	13,017,376	8,973,320	3,449,577
Hawaii	4,176,173	678,772	2,123,596	135,987	5,535,098	1,135,384	--	599,537	3,435,025
Idaho	19,537,787	4,512,482	2,479,357	573,462	3,405,324	2,126,438	3,619,783	1,011,720	1,646,758
Ill.	168,850,719	41,925,924	42,530,579	31,183,874	11,069,910	15,759,464	8,002,048	9,043,529	3,560,946
Ind.	82,936,594	13,986,880	11,018,500	4,280,659	7,686,670	5,920,948	9,174,866	4,716,450	2,335,270
Iowa	39,546,997	21,298,861	10,116,504	2,835,043	5,442,958	3,297,758	12,162,749	3,709,104	2,909,338
Kan.	40,029,447	17,844,520	6,870,988	2,245,389	5,029,285	2,651,230	18,200,838	2,203,654	2,042,239
Ky.	42,455,457	25,911,329	17,130,805	6,326,504	4,354,436	3,801,100	6,622,216	3,711,053	1,454,165
La.	52,532,817	75,642,618	20,429,855	6,320,519	5,963,671	4,495,331	3,009,917	6,511,057	1,421,343
Maine	16,123,488	6,803,837	5,241,848	813,698	3,026,659	1,743,196	1,579,009	999,651	1,418,017
Md.	33,195,938	4,923,696	9,997,281	7,536,826	6,690,986	6,137,421	1,447,917	1,446,701	1,724,428
Mass.	43,939,222	40,069,078	14,402,263	15,680,563	12,316,652	12,947,971	48,224	7,211,453	3,221,007
Mich.	101,905,940	33,772,803	25,574,313	46,291,181	11,183,675	15,857,836	9,850,350	8,257,952	3,501,323
Minn.	65,457,192	28,105,685	10,327,203	4,609,739	9,374,466	4,813,423	22,217,290	4,260,087	2,746,449
Miss.	39,840,311	26,851,363	7,865,288	2,259,574	9,976,934	3,600,103	4,591,512	2,978,324	1,984,495
Mo.	62,085,644	57,171,630	21,828,639	7,415,720	6,297,880	6,291,015	12,509,184	6,227,952	3,056,585
Mont.	28,453,463	3,280,749	1,926,784	882,683	2,894,707	1,748,856	5,801,877	1,038,946	1,589,020
Neb.	40,473,554	8,535,491	2,884,854	724,590	3,108,434	1,559,727	10,802,717	1,854,495	1,162,159
Nev.	11,909,418	1,483,390	1,112,347	993,913	1,310,104	1,466,279	--	214,967	1,135,057
N. H.	16,299,339	2,935,726	1,159,910	653,690	2,536,263	1,321,013	188,274	646,450	1,101,588
N. J.	48,557,194	10,772,553	15,915,566	26,153,289	13,728,447	13,468,413	961,251	5,128,584	3,102,484
N. M.	27,625,089	6,983,990	8,971,789	744,146	3,384,827	2,161,339	7,060,353	999,865	1,278,367
N. Y.	158,726,660	48,398,366	70,517,193	55,605,837	22,984,946	53,169,064	6,829,967	16,407,751	6,986,192
N. C.	39,898,411	19,793,405	21,335,536	5,394,283	8,666,551	5,571,579	4,272,460	5,151,370	1,403,755
N. D.	24,037,180	4,818,092	2,089,317	49,641	2,698,364	1,218,765	28,617,009	1,641,233	1,380,649
Ohio	134,831,898	48,780,163	29,281,996	55,131,551	11,617,487	15,778,592	9,284,807	8,260,678	4,871,578
Okla.	36,377,956	57,846,585	17,970,860	2,276,426	5,670,765	5,258,644	16,547,075	4,560,496	2,627,160
Ore.	35,687,970	9,800,430	6,226,513	3,820,601	4,874,617	3,883,493	3,473,324	1,390,391	1,752,955
Pa.	86,129,464	26,604,134	54,807,335	44,711,917	15,299,649	26,746,551	5,827,842	14,383,312	4,618,623
R. I.	11,644,222	3,679,981	4,170,099	3,086,269	3,069,311	3,315,042	1,239	1,191,037	1,099,183
S. C.	38,987,423	12,356,743	5,602,276	3,425,281	7,475,966	3,369,107	8,836,447	4,181,528	1,430,171
S. D.	29,917,960	4,695,966	3,171,624	288,759	3,364,311	915,612	19,040,418	1,699,381	1,339,622
Tenn.	69,524,247	22,299,251	15,709,012	8,069,876	6,736,300	4,263,432	7,798,582	5,416,699	4,028,933
Texas	141,905,229	103,131,922	14,480,571	8,807,585	15,047,123	13,575,577	39,150,483	14,398,045	5,068,930
Utah	24,950,799	4,835,336	3,783,542	953,537	4,262,867	3,095,749	2,048,390	2,349,699	2,023,573
Vt.	16,965,812	3,523,177	1,369,204	175,585	2,760,006	982,476	537,573	427,633	1,289,473
Va.	56,435,280	7,039,365	9,100,384	4,588,108	7,702,283	3,429,738	1,885,950	2,864,436	1,039,200
Wash.	33,270,338	28,142,416	11,643,571	9,510,939	6,638,417	6,719,137	4,439,029	6,063,766	2,383,561
W. Va.	31,628,434	7,105,339	17,970,896	6,350,649	3,978,796	2,627,663	886,235	2,601,849	1,986,477
Wisc.	42,073,867	20,085,970	9,412,808	7,914,681	9,174,567	5,114,728	10,643,181	4,603,320	3,491,331
Wyo.	23,840,721	1,870,236	746,691	506,546	1,897,087	929,870	1,093,194	423,903	936,099
P. R.	4,549,781	2,181,528	5,152,825	465,738	4,825,996	1,847,190	--	4,942,728	1,499,460
V. I.	--	140,754	145,979	1,000	--	111,861	--	--	--
TERRITORIES ¹	--	14,004	42,638	--	--	12,158	--	4,230,525	--
UNDISTRIBUTED	1,579,341	--	--	--	62,417,342	5,158,050	--	--	108,782,734
TOTAL	\$2,590,788,486	\$1,215,164,973	\$701,302,286	\$481,151,560	\$415,461,084	\$358,552,447	\$350,547,651	\$253,489,629	\$234,540,158

¹Includes American Samoa, Canal Zone, Guam, Trust Territory of the Pacific.

SOURCE: TREASURY DEPARTMENT



Presidential Report

TRANSCRIPT OF THE PRESIDENT'S JUNE 27 PRESS CONFERENCE

Following is the complete transcript of President Kennedy's June 27 press conference, the 37th of his term, held 14 days after the 36th (Weekly Report p. 1074):

THE PRESIDENT: Good afternoon. I have two statements.

FORMOSA, QUEMOY, MATSU

The situation in the area of the Taiwan Strait is a matter of serious concern to this Government. Very large movements of Chinese Communist forces into this area have taken place. The purpose of these moves is not clear. It seems important in these circumstances that the position of the United States Government be clearly understood.

Our basic position has always been that we are opposed to the use of force in this area. In the earlier years, President Eisenhower made repeated efforts to secure the agreement of Communist China to the mutual renunciation of the use of force in the Taiwan area, and our support for this policy continues. One possibility is that there might be aggressive action against the offshore islands of Matsu and Quemoy. In that event, the policy of this country will be that established seven years ago under the Formosa Resolution. The United States will take the action necessary to assure the defense of Formosa and the Pescadores. In the last crisis in the Taiwan area in 1958, President Eisenhower made it clear that the United States would not remain inactive in the face of any aggressive action against the offshore islands which might threaten Formosa.

In my own discussion of this issue in the campaign of 1960, I made it quite clear that I was in agreement with President Eisenhower's position on this matter. I stated this position very plainly, for example, on Oct. 16, 1960, and I quote: "The position of the Administration has been that we would defend Quemoy and Matsu if there were an attack which was part of an attack on Formosa and the Pescadores. I don't want the Chinese Communists to be under any misapprehension. I support the Administration's policy towards Quemoy and Matsu over the last five years."

Under this policy sustained continuously by the United States Government since 1954, it is clear that any threat to the offshore islands must be judged in relation to its wider meaning for the safety of Formosa and the peace of the area. Exactly what action would be necessary in the event of any such act of force would depend on the situation as it developed. But there must be no doubt that our policy specifically including our readiness to take necessary action in the face of force, remains just what it has been on this matter since 1955. It is important to have it understood that on this point the United States speaks with one voice. But I repeat that the purposes of the United States in this area are peaceful and defensive. As Secretary Dulles said in 1955, and I quote, "The treaty arrangements which we have with the Republic of China make it quite clear that it is in our mutual contemplation that force shall not be used. The whole character of that treaty is defensive," unquote.

This continues to be the character of our whole policy in this area now.

TRADE BILL

Secondly, I want to emphasize once again how deeply I am convinced that the passage this year of the trade expansion bill on which one house will vote tomorrow is vital to the future of this country. To recommit this bill back to the committee is to defeat it. To extend it for one year is to defeat the purpose because we have exhausted the powers given under the previous -- under the present -- law. All its bargaining authority has been used up, and it will mean that we will fall back and behind at a time when the Common Market in Europe is moving ahead. This is no time to penalize our industry and agriculture by denying them markets.

If we can not make new trade bargains with the Common Market in the coming year, our export surplus will decline, more plants will move to Europe, and the flow of gold away from these shores will become more intensified.

It is for these reasons that this bill has enjoyed bipartisan endorsement from the very beginning, and I am confident that the members of both parties will support this bill in the national interest tomorrow.

PRAYER IN SCHOOLS

Q. Mr. President, in the furor over the Supreme Court's decision on prayer in the schools, some members of Congress have been introducing legislation for constitutional amendments specifically to sanction prayer or religious exercise in the schools. Can you give us your opinion of the decision itself, and of those moves of the Congress to circumvent it?

THE PRESIDENT: I haven't seen the measures in the Congress and you would have to make a determination of what the language was and what effect it would have on the 1st Amendment. The Supreme Court has made its judgment, and a good many people obviously will disagree with it. Others will agree with it. But I think that it is important for us if we are going to maintain our constitutional principle that we support the Supreme Court decisions even when we may not agree with them.

In addition, we have in this case a very easy remedy, and that is to pray ourselves and I would think that it would be a welcome reminder to every American family that we can pray a good deal more at home, we can attend our churches with a good deal more fidelity, and we can make the true meaning of prayer much more important in the lives of all of our children. That power is very much open to us. I would hope that as a result of this decision that all American parents will intensify their efforts at home and the rest of us will support the Constitution and the responsibility of the Supreme Court in interpreting it, which is theirs, and given to them by the Supreme Court -- by the Constitution.

HIGHER EDUCATION BILL

Q. Mr. President, in a somewhat related field, there seems to be an impasse in a conference committee on a bill to aid higher education, over a five-year period, that one billion and a half dollar bill. There are some Administration figures who have been advocating the House bill which provides across-the-board grants for all types of colleges, including church-related colleges, as opposed to the Senate version which provides loans only for church-related colleges and I wonder what your position is. Which of these two versions do you prefer?

THE PRESIDENT: Well, as you know, the Administration sent up a program which is somewhat different from the bills that are in the Congress now, which provided loans to all schools. As you know, based on the brief on which I relied last year in my comments on the question of aid to non-public schools, secondary schools, I stated at that time that the brief indicated, and my own analysis indicated, and that of the Department of HEW, that there was not a comparable constitutional question on aid to higher education, to non-state colleges or universities.

In my opinion, there are very clear limitations based on the Supreme Court decisions on aid to non-public schools in the secondary field. But in those fields, the attendance is compulsory, it is universal. There is particular tradition connected with our public school system which has placed it in a special place in the traditional and constitutional life of our country. This is not true of higher education. So that I did not feel, based on that, that there was a constitutional question, a public policy matter, and I am hopeful that the Congress will report out legislation which will assist schools of higher learning and also that some arrangement may be made on scholarships and that all schools

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will be treated as they are in research grants and other ways, will be treated in the same fashion.

CHIANG RETURN TO MAINLAND

Q. Mr. President, in connection with your China statement, would you say, sir, what the position of the United States would be toward a return to the mainland by Chinese Nationalist forces? There have been reports recently that -- from Taiwan -- that the time may be approaching for such a move.

THE PRESIDENT: It seems to me that the statement indicates the view that I wish to express today. I think the statement at the conclusion emphasized the defensive nature of our arrangements there. That was true in 1955. General Eisenhower made that clear, I think in his letter to Senator Green in 1958. I have made it clear today that our arrangements in this area are defensive.

U.S. TROOPS IN EUROPE

Q. Mr. President, in your television interview, about a month ago now, explaining your new trade expansion bill, I was impressed with your emphasis on the need for the European nations to take over more of their own defense. My questions are two: Does this mean that you would like to see a gradual withdrawal of U.S. troops from Europe; and, two, are you also considering sending men to Europe on shortened tours of, say, one year, without their families?

THE PRESIDENT: Well, I would hope that we could withdraw or lessen the number of forces at some time but certainly not under the present conditions, until we have a clear indication of what the future is going to be in Berlin. Quite the reverse, as you know, we have in the last 12 months strengthened our forces in Berlin and we have expressed our hope that other members of NATO would strengthen theirs. The United States has six divisions in Western Germany. Other members of NATO have substantially less, with the exception of the West German government itself. I would hope that they strengthen their forces. They represent a large geographic area with ever increasing wealth. The United States can not sustain this burden of maintaining the atomic deterrent, maintaining the sea strength we do, our ground commitments all around the globe and still maintain such a large force in Western Germany. But we shall continue to do so as long as we feel it contributes to the security of Western Europe and the maintenance of our commitments.

With regard to your second question, that is not a matter which is before us at the present time. At the present time we are planning to continue the tours of duty that we have on the books.

DEFENSE OF OFFSHORE ISLANDS

Q. Mr. President, in your campaign for the Presidency, in connection with the off-shore islands, you suggested in advance of any violent attack in the area that might be construed as an attack upon Formosa and the Pescadores that we might reduce our commitment to Quemoy and Matsu, that this was not the appropriate place to draw the line because the islands were strategically indefensible and unnecessary. What is your view now?

THE PRESIDENT: I think that my statement represents the view of the United States Government, and the view of the United States Government is regulated by the resolution which was passed in -- by the Congress in 1954, and which has been interpreted by President Eisenhower and again by me.

President Eisenhower, as you know, had some views about what should be the extent of the commitment of the Chinese Nationalist forces to these islands and, as a matter of fact, sent Admiral Radford out in the mid-50s to discuss it. I also made some statements on my views on the matter in 1954 when the treaty came up, as you well know. But the fact of the matter is I also said in the fall of 1960 that there should be no withdrawal from these islands under the point of a gun, and that the matter of these islands -- that the President must make a judgment based on the resolution of the Congress that the action that he will take will depend upon his judgment as to the effect of any action which the Chinese Communists might take on Formosa and the Pescadores.

Now, that is what my statement says. We stand in the traditional policy which has been true since 1954.

SUPPORT FOR LEGISLATIVE PROGRAM

Q. Mr. President, speaking generally about your legislative program, do you feel that it has had the proper degree of support from the Democratic majorities in the House and Senate?

THE PRESIDENT: No, we haven't gotten the legislative program. I don't think we ought to go home until we get a good deal more of it by. I think that is the wishes of the majority. We should realize that some Democrats have voted with the Republicans for 25 years, really since 1938, and that makes it very difficult to secure the enactment of any controversial legislation. You can water bills down and get them by, or you can have bills which have no particular controversy to them and get them by. But important legislation, medical care for the aged and these other bills, farm programs, they are controversial, they involve great interests, and they are much more difficult.

Now, if you recall in January 1961 when we had a very basic issue before the Congress, which was whether the Administration and the national Democratic Party would have the power to put its program on the floor of the House, the fight over the rules with Speaker Rayburn coming to the well of the House and making this a matter of his own personal prestige, we won that by five votes.

That indicated how close the balance was in the House of Representatives. Some Democrats voted with the Republicans, and have for a good many years. So that we have a very difficult time on a controversial piece of legislation securing a working majority. That is why this election in November is an important one, because if we can gain some more seats, we will have a workable majority, and if we don't, then of course we will not. So that I am concerned about what progress we make. There is no sense in the Congress going home without taking action on a whole variety of steps which will strengthen our country and our economy.

On the farm bill, where we got defeated, as you know, by a close vote, there were powerful interests against it. In the first place, there was the unanimous opposition, with the exception of one Congressman, of the Republicans. Then in addition there was the opposition of those who store surpluses. They like to have additional surpluses built up. There are 9 billion (dollars) of them now, but they want more because they make money out of it. Then there were those who want cheap feed, and they want, the more surpluses there are, the cheaper the feed is. So that those who feed livestock, they did not want it.

Then there are other parts of the country who want to plant corn, and who figure that if there are restraints on production, they won't be able to plant it. So there are powerful interests built up.

To try to get a program under control is very difficult. The fact of the matter is if we secured passage of that bill, it would have meant a saving of \$1 billion, and that means that if we do not get a bill this year, it will cost \$7.5 billion in the next budget, instead of \$6.5 billion for agriculture. In addition to that the farm income will drop as it dropped in the 50s, because the surpluses will pile up. We will try to buy them under the support price, which is compulsory, the permanent bill, and the surpluses will pile up, and the farmers' income will go down, and no one will benefit. So I think it is a great mistake.

Now, what is interesting, if I may conclude, is that there was support indicated after our bill was defeated for the emergency feed grain bill. The Republicans indicated they would support it. Yet last year when that bill was up, all but four or five voted against it. Now, it is hard to get bills by that put restraints, but these are the kinds of bills, the tax bill and others that a complicated economy such as ours must have passed. They may not be of great emotional public issues, but we have got to pass them or otherwise we will begin to lose control of the management of our economy, and of our governmental finances.

So that I think the Democrats have to do better and I hope that some Republicans would support us. We supported President Eisenhower in important matters, and I would hope some Republicans will support us on the trade bill which is vital and on other measures as the summer goes on.

FRENCH NUCLEAR POLICY

Q. Mr. President, Secretary Rusk has just about completed his rounds of the Western European capitals. I wonder if you can give us an evaluation of his trip, with particular reference

to whether this Government has now accepted France's determination to build its own nuclear power, and whether we will seek to coordinate and integrate that power into the NATO system.

THE PRESIDENT: We have always accepted its determination to do so. What we have not agreed to is to participate in the development of a national deterrent. We believe that is inimical to the community interest of the Atlantic alliance, that it encourages other countries to do the same.

Now, France has determined to do so, she is going to do so. But I think that for the United States to associate with that effort, to associate with the concept of additional independent national nuclear deterrents, to play our part in its development, would be a mistake, both from the point of view of the United States, the Atlantic community and peace, because other countries will be compelled to do the same.

In my judgment, the NATO alliance and the steps we have taken to implement the NATO alliance give adequate security to Europe and the United States. I think we should stay with that. The French do not agree. They are going ahead. We accept that. But we do not agree with it.

TED KENNEDY AN ISSUE?

Q. Mr. President, going back to the fall election, there has been considerable criticism of the candidacy of your brother, Ted, for Senator from Massachusetts. Among your most vigorous supporters it is said that there are going to be too many Kennedys in Washington and that Ted has not demonstrated a capacity for this. Would you comment and tell us whether you think this might be an issue in the fall?

THE PRESIDENT: Well, I know -- I don't know whether they -- I would characterize (they) as my most vigorous supporters, but I would say there has been criticism, but as Ted, my brother, pointed out, there are nine members of my family, it is a big family. They are all interested in public life. So public life is centered -- at least the great issues -- in the United States capital. The people of Massachusetts are going to decide that. He had a very vigorously contested convention. He is going to have a primary in September. He will have a very vigorous fight in November.

I would think the people of Massachusetts will make a judgment as to his qualifications as to whether there are too many Kennedys. As far as my own judgment, aside from the paternal relations, I did put him in charge of managing my campaign in 1958 in Massachusetts, but more important, he was in charge of our western campaign in the pre-convention period which was a very intensive campaign, where we secured the support of a good many delegates, and in charge of our campaign in the West in the campaign itself, so I have confidence in his ability. The people of Massachusetts must make a judgment, however.

CUBAN PRISONER RANSOM

Q. The organization of a committee to raise \$62 million to ransom the invasion prisoners held by Castro was announced yesterday. One of its members is your sister-in-law, Mrs. Radziwill. Do you approve of public subscription to ransom these prisoners, and don't you think this money would contribute a great deal towards easing Castro's economic difficulties?

THE PRESIDENT: I am not informed about it. She is a citizen and is free to make a judgment and anyone who wishes to contribute certainly is free to do so. I certainly sympathize with the basic desire which is to get a good many hundreds of young men out of prison whose only interest was in freeing their country. So I am not critical of any efforts made in this field.

CONGRESSIONAL ADJOURNMENT

Q. Mr. President, some members of your own party have a feeling that it might be a good idea to get Congress out of town and get them out to campaigning. On the other hand, you have outlined today quite a program remaining, and I wonder if you had any specific date in mind when you would like to see them go?

THE PRESIDENT: No, I think that is up to them. It is much easier in many ways for me, and for other Presidents, I think who felt the same way, when Congress is not in town, but it seems to me that we cannot all leave town. We ought to all stay here

and I think Congress is determined to try to bring up a program which is useful. There is higher education, we have medicare coming up next week, and we have the trade bill, and I think that we have a number of things left to do. I am confident the Congress will stay and try to do them.

CHIANG STATEMENTS

Q. Mr. President, in December of 1954, following the signing of the mutual security treaty with Nationalist China, there was an exchange of letters between the United States and Nationalist China under which Nationalist China pledged itself not to take forceful action against the mainland without the consent of the United States. Do you think it is within the spirit of that exchange of letters that Chiang Kai-shek should be making statements proclaiming his intention of regaining a foothold on the mainland?

THE PRESIDENT: I think that letter still governs. We would regard the agreement which was part of the '54 action, that no such action as you mention would take place without the agreement of the United States, and I have indicated that our interest in this area is defensive, and we would like to have a renunciation of the use of force.

TROOP WITHDRAWAL FROM EUROPE

Q. Mr. President, you mentioned Berlin in connection with the presence of our sizable forces in Europe. Have you thought of any reduction or withdrawal of those forces with respect to having a written agreement on Berlin, or would lessening of tension suffice?

THE PRESIDENT: No, it would be a strategic and tactical judgment as to the use of our resources which would include of course men and financial resources, and the assessment of what effort the other countries were making. For example, and this is only for example, we would have to make a judgment as to whether a conventional force of sufficient size to be developed in Europe could maintain itself without the use of atomic weapons, short of an all-out attack by the Soviet Union. This would require a different force level than it would if we decided to use weapons under different conditions. These are all part of the matter which we must consider, and we must also see what the Europeans themselves are doing about conventional forces. We also must take into account our dollar and balance of payment problems. As you know, it costs about \$750 million to keep our forces in Germany, and that is balanced off by German purchases here. But it costs us \$325 million to keep them in France and that is not balanced off. It costs \$200-million-odd in Britain and \$100 million in Italy, and we have to make a judgment of what is in the best security interests of the United States.

But let me just make it clear that a good deal of what we are now talking about is in a sense academic. We plan to keep the six divisions in Europe for the foreseeable future.

EISENHOWER CRITICISM

Q. Mr. President, General Eisenhower said the other night that he felt the current present Administration was spending too much money on defense. He also said that he felt the Administration was floundering in the face of various problems. Would you care to comment on those two points?

THE PRESIDENT: No, I think I would be glad -- I think we are spending a good deal of money on defense, and I don't enjoy it. But on the other hand, I think we live in a very dangerous world, and I believe that being strong helps maintain the peace. I must say on the one hand we seem to be under attack by some Republicans for not doing enough to stand up to the Communists, and on the other by those who say we are spending too much on defense. There should be some coordination of policy, because it seems to me that otherwise it may appear that the Grand Old Party may be floundering.

BUSINESSMEN'S VIEWS

Q. Mr. President, a poll of about 30,000 businessmen by the Research Institute of America came up today with a vote of 2 to 1 in favor of your legislation, including the tax credit and the trade bills. Yet at the same time a substantial majority

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considers the Administration hostile to business. What does this apparent inconsistency suggest to you?

THE PRESIDENT: Well, I think that it suggests that most businessmen, number one, are Republicans, and, number two, that they realize what is in the best interests of business and the country, and that is the trade bill and the tax credit. I am glad to have that poll even though it does not result in a resounding vote of confidence for the Administration. I think the fact that businessmen so strongly support these two pieces of legislation which have been somewhat -- which have been attacked by a few or relatively few, who have mounted a very effective attack, I thought this was a poll which every member of the Congress should look at carefully. I think the businessmen are right. Both of these pieces of legislation are useful. I think the Administration is also. But more important, there is the fact that they are supporting two important bills which I hope will pass which will be in the interest of the American economy this year.

MEXICAN TRIP

Q. Mr. President, I wonder if you can tell us something about your plans for your Mexican trip and any comments you have relating that to the general Latin American situation.

THE PRESIDENT: I think it is important. Mexico is extremely important. I am following where President Roosevelt and every other President since then have gone to pay a visit. We have been honored by visits from Mexico. We are neighbors. There are a good many problems we have in common, as well as opportunities. In addition, we are anxious, I am anxious, to discuss not only the bilateral relations but also what we can together do to strengthen the democratic fabric in all of Latin America.

TAX REDUCTION

Q. Mr. President, four weeks ago you said that you had no plans to propose tax reduction at that time, at the moment, but that in new conditions you might think about it again. In the past month, the economic situation has not gotten markedly better, and the stock market has gotten worse. What do you think of tax reduction now?

THE PRESIDENT: I think if we decide it is needed we will propose it, though I do point out that we do have one bill which would give us standby powers on tax reduction which I think would be very useful. It doesn't seem as if we are going to get action on that, but that is a tax reduction bill which would give us powers to move if the economy turned down. It has taken us nearly 18 months and we haven't finally gotten a judgment on our tax credit bill, which indicates the length of time it can take moving through the ordinary procedures of the Congress. That is why the standby power is important.

However, we will continue to watch the economy. There are good signs in the economy and there are signs which are not so good. So we will continue to watch it very carefully and make a judgment.

NUCLEAR HAZARDS, FALLOUT

Q. Mr. President, the recently released report of the National Advisory Committee on Radiation has pointed out that in the event of fallout contamination from weapons testing should exceed acceptable limits only you have the authority to halt testing and order countermeasures. The report also points out that responsibility for action against other nuclear hazards has not been clearly assigned. Under what circumstances would you halt nuclear tests or order countermeasures to protect against these hazards, and are you considering assigning responsibility for countermeasures against all nuclear hazards to a special agency?

THE PRESIDENT: Well, as of today, the situation is such that our interests are served by testing. In addition, as you know, the iodine content has increased recently. The hazard is not present and will not be present from our tests. Quite obviously, if tests are carried on for a long period of time all over the world this will become an increasingly serious problem. It is not today, however, and there is no health hazard here in this country nor will there be from our tests.

PRAYER IN PUBLIC SCHOOLS

Q. Mr. President, sir, aside from your constitutional responsibilities, as an individual American citizen do you personally approve or disapprove of the Supreme Court decision outlawing prayer in public schools?

THE PRESIDENT: I think my answer was responsive to that question.

ROSTOW PAPER

Q. Mr. President, sir, did you ask Walt Whitman Rostow to draw up this paper on foreign policy and defense policy, or did he just undertake it on his own to interpret the policies of the Government?

THE PRESIDENT: To interpret the policy -- he was acting as a successor to Mr. George McGee and fulfilling his function of policy planning and one of the functions of the policy planning staff is to plan policy. And that is what he is attempting to do.

The fact of the matter is that we have in the National Security Council voluminous papers from the 50s which are the general guide of policy lines in the United States. But there have been a good many changes since the 1950s. In the first place, we discussed one of them today, the French atomic rearmament, the question of the Sino-Soviet relations. There are a great many problems, Castro and all the rest.

We are examining to see -- guerrilla warfare, anti-insurgency, what should be our military policy in it, what should be our force levels. These are matters which the Department of Defense and the Department of State are examining and will come through the National Security Council to see whether there should be any changes in the policies that were laid down in the 1950s. So Mr. Rostow is fulfilling his function. I have not studied the paper. The Secretary of State has it. But Mr. Rostow is acting under instructions and acting very responsibly.

LAOS

Q. Mr. President, what are your views of the present situation in Laos?

THE PRESIDENT: Well, I am concerned that the agreement which was -- which came into effect in June among the three princes, that it shall be successfully implemented, and that the Geneva Accords agreed to last summer shall be amplified at the coming Geneva Conference. Laos continues to be a matter of great concern to us. We have never suggested that there was a final, easy answer to Laos. On the other hand, there is a ceasefire, there is a government. They are meeting in Geneva. We will continue to cooperate as fully as we can. It is a situation which is uncertain and full of hazard, which life is in much of the world, and we will continue to support the concept of an independent and neutral Laos to which Mr. Khrushchev has also given his personal commitment.

Q. Thank you, Mr. President.

TVA APPOINTMENTS

President Kennedy June 23 appointed Aubrey J. Wagner, 50, of Nashville, Tenn., as chairman of the Tennessee Valley Authority board of directors. Wagner, member of the TVA board since February 1961, succeeded Herbert D. Vogel as chairman. Vogel had previously resigned both as chairman and as a member of the board. The Senate Public Works Committee June 28 said Wagner would not have to be confirmed as chairman, since he already was a member of the board. Wagner had been with TVA since 1934, first as an engineer and later as assistant general manager and then general manager.

Vogel's resignation from the board left one vacancy. The White House June 25 announced that President Kennedy would name Rep. Frank E. Smith (D Miss.), 44, to the vacancy. Smith, a supporter of the Kennedy-Johnson ticket in the 1960 Presidential election, June 5 was defeated for the Democratic nomination in Mississippi's new, combined 2nd Congressional District by Rep. Jamie L. Whitten (D). Whitten, a strong critic of the Kennedy Administration, supported the independent elector slate in the 1960 Presidential campaign. (Weekly Report p. 979)

CQ Senate Votes 76 through 79.

(No Congressional Record Roll-Call Vote Numbers.)

Senate Votes to Make Export Control Act Permanent; Approves Sugar Act Bill Based on Kennedy Requests

76. S 3161. Amend and make permanent the Export Control Act. Keating (R N.Y.) amendments strengthening penalties and calling for use of U.S. economic resources in East-West trade to further national security. Agreed to 57-2: R 24-0; D 33-2 (ND 21-2; SD 12-0), June 23, 1962. The President did not take a position on the amendments. (See story p. 1094)
77. S 3161. Passage of the bill. Passed 59-1: R 25-0; D 34-1 (ND 22-1; SD 12-0), June 23, 1962. The President did not take a position on the bill.
78. HR 12154. Sugar Act Amendments of 1962. McCarthy (D Minn.) amendment to extend the national minimum wage to sugar field workers. Rejected 29-57: R 7-23; D 22-34 (ND 21-13; SD 1-21), June 27, 1962. The President did not take a position on the amendment. (See story p. 1084)
79. HR 12154. Passage of the bill, which embodied most of the Administration's recommendations. Passed 76-2: R 29-0; D 47-2 (ND 31-0; SD 16-2), June 27, 1962. A "yea" was a vote supporting the President's position.

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ALABAMA Hill Y Y N ‡ Sparkman Y Y N Y	INDIANA Hartke ‡ ‡ Y Y Capehart ‡ ‡ N Y	NEBRASKA Curtis Y Y N Y Hruska Y Y N Y	Y Record Vote For (yea). ✓ Paired For. ‡ Announced For, CQ Poll For. N Record Vote Against (nay). X Paired Against. - Announced Against, CQ Poll Against. ? Absent, General Pair, "Present," Did not announce or answer Poll.
ALASKA Bartlett Y Y Y Y Gruening Y Y ‡ ‡	IOWA Hickenlooper ? ? ? ? Miller Y Y N Y	NEVADA Bible ‡ ‡ N Y Cannon ‡ ‡ N Y	76 77 78 79
ARIZONA Hayden Y Y N Y Goldwater ? ? N Y	KANSAS Carlson Y Y N Y Pearson ‡ ‡ X ‡	NEW HAMPSHIRE Cotton Y Y N Y Murphy ‡ ‡ N Y	SOUTH CAROLINA Johnston Y Y N Y Thurmond Y Y N Y
ARKANSAS Fulbright ‡ ‡ N N McClellan Y Y ? ‡	KENTUCKY Cooper Y Y N Y Morton ‡ ‡ N Y	NEW JERSEY Williams Y Y Y Y Case Y Y Y Y	SOUTH DAKOTA Vacancy Y Y N Y Mundt Y Y N Y
CALIFORNIA Engle ‡ ‡ Y Y Kuchel Y Y ✓ ‡	LOUISIANA Ellender Y Y N Y Long ‡ ‡ N Y	NEW MEXICO Anderson Y Y N ‡ Chavez ‡ ‡ X ‡	TENNESSEE Gore Y Y N N Kefauver ‡ ‡ Y ‡
COLORADO Carroll ‡ ‡ N Y Allott Y Y N Y	MAINE Muskie ‡ ‡ Y Y Smith Y Y N Y	NEW YORK Javits Y Y Y Y Keating Y Y Y Y	TEXAS Yarborough ‡ ‡ N Y Tower Y Y N Y
CONNECTICUT Dodd ‡ ‡ ✓ Y Bush Y Y N ‡	MARYLAND Beall Y Y Y Y Butler Y Y N ‡	NORTH CAROLINA Ervin Y Y N Y Jordan ‡ ‡ N Y	UTAH Moss ‡ ‡ N Y Bennett Y Y N Y
DELAWARE Boggs Y Y N Y Williams Y Y N Y	MASSACHUSETTS Smith Y Y Y Y Saltonstall Y Y ? Y	NORTH DAKOTA Burdick Y Y ✓ ‡ Aiken Y Y N Y	VERMONT Aiken Y Y Y Y Prouty ‡ Y N Y
FLORIDA Holland Y Y N Y Smathers ‡ ‡ N Y	MICHIGAN Hart ‡ ‡ Y ‡ McNamara ‡ ‡ ‡ ‡	OHIO Lausche ‡ ‡ N Y Young Y Y Y Y	VIRGINIA Byrd ‡ ‡ N Y Robertson Y Y N Y
GEORGIA Russell ‡ ‡ N ‡ Talmadge ‡ ‡ N Y	MINNESOTA Humphrey Y Y Y Y McCarthy Y Y Y Y	OKLAHOMA Kerr ‡ ‡ N Y Monroney Y Y N Y	WASHINGTON Jackson ‡ ‡ N Y Magnuson ‡ ‡ ? ‡
HAWAII Long Y Y ‡ Y Fong ? ? Y ‡	MISSISSIPPI Eastland ‡ ‡ N ‡ Stennis Y Y N Y	OREGON Morse Y Y Y Y Neuberger N N Y ‡	WEST VIRGINIA Byrd Y Y Y Y Randolph Y Y N Y
IDAHO Church ‡ ‡ N Y Dworshak Y Y N Y	MISSOURI Long ‡ ‡ Y Y Symington ‡ ‡ N Y	PENNSYLVANIA Clark Y Y Y Y Scott ‡ ‡ Y Y	WISCONSIN Proxmire Y Y N Y Wiley ‡ ‡ X ‡
ILLINOIS Douglas Y Y Y Y Dirksen ‡ ‡ N Y	MONTANA Mansfield Y Y Y Y Metcalf N Y Y Y	RHODE ISLAND Pastore ‡ ‡ Y ‡ Pell Y Y Y Y	WYOMING Hickey Y Y Y Y McGee Y Y N Y

Democrats in this type; Republicans in italics

CQ House Votes 47 through 50.

(Corresponding to Congressional Record Roll-Call Vote Nos. 127, 128, 134, 135.)

House Extends Defense Production, Export Control Acts; Enacts Kennedy Trade Bill After Defeating Substitute

47. HR 11500. Extend the Defense Production Act of 1950 for two years, through June 30, 1964. Passed 328-0: R 140-0; D 188-0 (ND 102-0; SD 86-0), June 25, 1962. The President did not take a position on the bill. (See story p. 1092)
48. HR 11309. Amend and extend the Export Control Act of 1949 for three years, through June 30, 1965. Passed 339-0: R 143-0; D 196-0 (ND 104-0; SD 92-0), June 25, 1962. The President did not take a position on the bill. (See story p. 1094)
49. HR 11970. Trade Expansion Act of 1962, authorizing the President to negotiate new tariff cuts and compensate injured industries and workers through financial aid or by raising tariffs. Mason (R Ill.) motion to recommit the bill with instructions to substitute a one-year extension of the expiring Trade Agreements Act. Rejected 171-253: R 127-43; D 44-210 (ND 7-141; SD 37-69), June 28, 1962. A "nay" was a vote supporting the President's position. (See story p. 1083)
50. HR 11970. Passage of the Trade Expansion Act. Passed 298-125: R 80-90; D 218-35 (ND 136-12; SD 82-23), June 28, 1962. A "yea" was a vote supporting the President's position.

47 48 49 50	47 48 49 50	47 48 49 50	- KEY -
ALABAMA			Y Record Vote For (yea). ✓ Paired For. † Announced For, CQ Poll For. N Record Vote Against (nay). X Paired Against. - Announced Against, CQ Poll Against. ? Absent, General Pair, "Present," Did not announce or answer Poll.
3 Andrews	Y Y Y N		
1 Boykin	Y Y Y N		
7 Elliott	? ? N Y		
2 Grant	Y Y N Y		
9 Huddleston	Y Y N Y		
8 Jones	? ? N Y		
5 Rains	? Y N Y		
4 Roberts	Y Y N Y		
6 Selden	Y Y N Y		
ALASKA			
AL Rivers	Y Y N Y		
ARIZONA			
2 Udall M.	Y Y N Y		
1 Rhodes	Y Y Y N		
ARKANSAS			
5 Alford	? ? ✓ X		
1 Gathings	Y Y N Y		
4 Harris	Y Y N Y		
2 Mills	Y Y N Y		
6 Norrell C.	Y Y N Y		
3 Trimble	Y Y N Y		
CALIFORNIA			
7 Cohelan	Y Y N Y		
14 Hagen	Y Y N Y		
2 Johnson	Y Y N Y		
11 McFall	Y Y N Y		
1 Miller C.	Y Y N Y		
8 Miller G.P.	Y Y X ✓		
3 Moss	Y Y N Y		
29 Saund	? ? ? ?		
5 Shelley	Y Y N Y		
27 Sheppard	Y Y N Y		
12 Sisk	Y Y N Y		
6 Baldwin	Y Y N Y		
10 Gubser	Y † Y Y		
4 Mailliard	Y Y N Y		
13 Teague	Y Y Y Y		
28 Utt	Y ? Y N		
30 Wilson	? ? Y N		
9 Younger	? Y Y N		
Los Angeles Co.			
22 Corman	? ? N Y		
23 Doyle	Y Y N Y		
19 Holifield	? ? N Y		
17 King	Y Y N Y		
26 Roosevelt	Y Y N Y		
16 Bell	Y Y N Y		
21 Hiestand	Y Y Y N		
18 Hosmer	Y Y N Y		
24 Lipscomb	Y Y Y N		
15 McDonough	Y Y Y N		
25 Rousselot	Y Y Y N		
20 Smith	Y Y Y N		
COLORADO			
4 Aspinall	Y Y N Y		
1 Rogers	Y Y N Y		
3 Chenoweth	Y Y Y N		
2 Dominick	? ? Y N		
CONNECTICUT			
1 Daddario	Y Y N Y		
3 Gaiimo	Y Y N Y		
AL Kowalski	? ? N Y		
5 Monagan	Y Y Y N		
2 Seely-Brown	Y Y Y N		
4 Sibal	Y Y N Y		
DELAWARE			
AL McDowell	? ? N Y		
FLORIDA			
2 Bennett	Y Y N Y		
4 Fascell	Y Y N Y		
7 Haley	Y Y Y N		
5 Herlong	Y Y N Y		
8 Matthews	Y Y N Y		
6 Rogers	Y Y N Y		
3 Sikes	Y Y Y N		
1 Cramer	? ? Y N		
GEORGIA			
8 Blitch	? ? ? ?		
5 Davis J.C.	? ? Y Y		
7 Davis J.W.	Y Y N Y		
4 Flynt	Y Y N Y		
3 Forrester	Y Y N Y		
1 Hagan	? ? N Y		
9 Landrum	Y Y N Y		
2 Pilcher	Y Y N ?		
10 Stephens	? ? N Y		
6 Vinson	Y Y N Y		
HAWAII			
AL Inouye	Y Y N Y		
IDAHO			
2 Harding	Y Y N Y		
1 Pfost	Y Y N Y		
ILLINOIS			
25 Gray	Y Y N Y		
21 Mack	Y Y N Y		
24 Price	Y Y N Y		
23 Shipley	Y Y Y N		
16 Anderson	Y Y Y N		
17 Arends	Y Y Y Y		
19 Chipfield	Y Y Y N		
20 Findley	Y Y Y Y		
14 Hoffman	? ? Y N		
15 Mason	Y Y Y N		
18 Michel	Y Y N Y		
22 Springer	Y Y N Y		
Chicago Cook County			
1 Dawson	Y Y N Y		
12 Finnegan	Y Y N Y		
5 Kluczynski	? ? N Y		
7 Libonati	? ? N Y		
3 Murphy	Y Y N Y		
6 O'Brien	Y Y N Y		
2 O'Hara	Y Y N Y		
11 Pucinski	? ? N Y		
8 Rostenkowski	Y Y N Y		
9 Yates	? ? N Y		
13 Church	Y Y Y N		
10 Collier	Y Y Y N		
4 Derwinski	Y Y Y Y		
INDIANA			
3 Brademas	Y Y N Y		
8 Denton	Y Y N Y		
1 Madden	Y Y N Y		
5 Roush	Y Y N Y		
4 Adair	Y Y Y N		
7 Bray	Y Y Y N		
11 Bruce	Y Y Y N		
2 Halleck	Y Y Y Y		
10 Harvey	Y Y Y N		
6 Roudsbush	Y Y Y N		
9 Wilson	Y Y Y N		
IOWA			
6 Coad	? ? N Y		
5 Smith	Y Y N Y		
2 Bromwell	Y Y Y Y		
3 Gross	Y Y Y N		
8 Hoeven	Y Y Y N		
7 Jensen	Y Y Y N		
4 Kyl	Y Y Y N		
1 Schwengel	Y Y N Y		
KANSAS			
5 Breeding	Y ? N Y		
1 Avery	Y Y Y Y		
6 Dole	Y Y Y Y		
2 Ellsworth	Y Y Y Y		
3 McVey	Y Y ✓ X		
4 Sbriver	Y Y Y Y		
KENTUCKY			
3 Burke	Y Y N Y		
4 Chelf	Y Y N Y		
2 Natcher	Y Y N Y		
7 Perkins	Y Y N Y		
5 Spence	Y Y N Y		
1 Stubblefield	? ? N Y		
6 Watts	Y Y N Y		
8 Siler	Y Y Y N		
LOUISIANA			
2 Boggs	? ? N Y		
4 Waggonner	Y Y Y N		
1 Hebert	Y Y N Y		
8 McSween	? ? ? ?		

Democrats in this type; Republicans in Italics

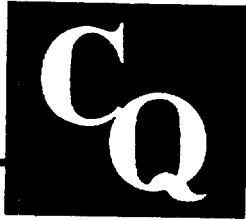
CQ House Votes 47 through 50.

(Corresponding to Congressional Record Roll-Call Vote Nos. 127, 128, 134, 135.)

47 48 49 50				47 48 49 50				47 48 49 50				47 48 49 50							
6 Morrison	?	?	N	Y	NEBRASKA					5 Scott	?	?	N	Y	6 McMillan	Y	Y	Y	N
5 Passman	Y	Y	Y	N	3 Beermann	Y	Y	Y	N	12 Taylor	Y	Y	Y	Y	2 Riley C.	?	?	Y	N
7 Thompson	?	?	?	?	2 Cunningham	Y	Y	Y	N	11 Whitener	Y	Y	Y	N	1 Rivers	Y	Y	Y	N
3 Willis	Y	Y	N	Y	4 Martin	Y	Y	Y	N	10 Jonas	?	?	Y	N	SOUTH DAKOTA				
MAINE					1 Weaver	Y	Y	N	Y	NORTH DAKOTA					2 Berry	?	?	Y	N
1 Garland	?	?	Y	N	NEVADA					AL Nygaard	Y	Y	Y	Y	1 Reifel	Y	Y	Y	N
3 McIntire	Y	Y	Y	N	AL Baring	Y	Y	Y	N	AL Short	Y	Y	Y	Y	TENNESSEE				
2 Tupper	Y	Y	N	Y	NEW HAMPSHIRE					OHIO					6 Bass	Y	Y	N	Y
MARYLAND					2 Bass	?	?	N	Y	9 Ashley	?	Y	N	Y	9 Davis	?	?	?	?
2 Brewster	?	?	N	Y	1 Merrow	?	?	N	Y	11 Cook	?	?	N	Y	8 Everett	Y	Y	N	Y
4 Fallon	Y	Y	N	Y	NEW JERSEY					20 Feighan	Y	Y	N	Y	4 Evins	Y	Y	N	Y
7 Friedel	Y	Y	N	Y	11 Addonizio	?	?	N	Y	18 Hays	Y	Y	Y	N	3 Frazier	Y	Y	N	Y
3 Garmatz	Y	Y	N	Y	14 Daniels	?	?	N	Y	19 Kirwan	Y	Y	N	Y	5 Loser	Y	Y	N	Y
1 Johnson	Y	Y	N	Y	13 Gallagher	?	?	N	Y	10 Moeller	?	?	N	Y	7 Murray	Y	Y	N	Y
5 Lankford	Y	Y	N	Y	8 Joelson	Y	Y	N	Y	21 Vanik	Y	Y	N	Y	2 Baker	?	?	N	Y
6 Mathias	?	?	N	Y	10 Rodino	?	?	N	Y	17 Ashbrook	Y	Y	Y	N	1 Reece L.	Y	Y	N	Y
MASSACHUSETTS					4 Thompson	?	Y	N	Y	14 Ayres	Y	Y	Y	N	TEXAS				
2 Boland	?	?	N	Y	3 Auchincloss	Y	Y	Y	Y	8 Betts	Y	Y	Y	Y	3 Beckworth	Y	Y	Y	Y
13 Burke	Y	Y	N	Y	1 Cabill	?	?	N	Y	22 Bolton	Y	Y	Y	Y	2 Brooks	Y	Y	N	Y
4 Donohue	Y	Y	N	Y	6 Dwyer	Y	Y	N	Y	16 Bow	?	?	Y	N	17 Burleson	Y	Y	Y	N
7 Lane	Y	Y	N	Y	5 Frelinghuysen	Y	Y	N	Y	7 Brown	?	?	Y	N	22 Casey	Y	Y	Y	N
8 Macdonald	?	?	N	Y	2 Glenn	?	?	Y	N	2 Clancy	Y	Y	Y	N	7 Dowdy	Y	Y	Y	N
12 McCormack	?	?	N	Y	9 Osmers	?	?	Y	N	12 Devine	Y	Y	Y	N	21 Fisher	Y	Y	Y	N
11 O'Neill	?	?	N	Y	12 Wallhauser	Y	Y	N	Y	6 Harsha	Y	Y	Y	N	20 Gonzalez	?	?	Y	Y
3 Philbin	?	?	N	Y	7 Widnall	Y	Y	N	Y	5 Latta	Y	Y	Y	Y	15 Kilgore	Y	Y	N	Y
6 Bates	Y	Y	N	Y	NEW MEXICO					4 McCulloch	Y	Y	Y	Y	19 Mahon	Y	Y	N	Y
1 Conte	?	?	N	Y	AL Montoya	Y	Y	N	Y	23 Minshall	Y	Y	Y	Y	1 Patman	Y	Y	N	Y
10 Curtis	?	?	N	Y	AL Morris	Y	Y	N	Y	15 Moorehead	Y	Y	Y	Y	11 Poage	Y	Y	N	Y
9 Keith	?	?	N	Y	NEW YORK					13 Mosher	Y	Y	Y	Y	13 Purcell	?	?	Y	Y
14 Martin	Y	Y	N	Y	41 Dulski	?	?	N	Y	3 Schenck	Y	Y	Y	Y	4 Roberts	?	?	Y	Y
5 Morse	Y	Y	N	Y	30 O'Brien	Y	Y	N	Y	1 Scherer	?	?	Y	N	18 Rogers	Y	Y	Y	Y
MICHIGAN					1 Pike	Y	Y	N	Y	OKLAHOMA					16 Rutherford	Y	Y	Y	Y
7 O'Hara	?	?	N	Y	32 Stratton	Y	Y	N	Y	3 Albert	Y	Y	N	Y	6 Teague	?	?	Y	N
12 Bennett	Y	Y	Y	N	27 Barry	Y	Y	Y	N	2 Edmondson	Y	Y	N	Y	8 Thomas	Y	Y	N	Y
18 Broomfield	Y	Y	N	Y	3 Becker	Y	Y	Y	N	5 Jarman	?	?	Y	N	9 Thompson	Y	Y	N	Y
10 Cederberg	Y	Y	Y	N	2 Derounian	?	?	Y	N	4 Steed	?	?	Y	N	10 Thornberry	Y	Y	N	Y
6 Chamberlain	?	?	Y	Y	26 Dooley	?	?	N	Y	6 Wickersham	Y	Y	N	Y	12 Wright	Y	Y	N	Y
5 Ford	Y	Y	Y	Y	43 Goodell	Y	Y	Y	Y	1 Belcher	Y	Y	Y	Y	14 Young	Y	Y	N	N
9 Griffin	Y	Y	Y	Y	33 Kilburn	Y	Y	Y	N	OREGON					5 Alger	Y	Y	Y	N
8 Harvey	Y	Y	Y	Y	31 King	Y	Y	Y	N	3 Green	Y	Y	N	Y	UTAH				
4 Hoffman	?	?	?	?	40 Miller	?	?	Y	Y	2 Ullman	Y	Y	N	Y	2 King	Y	Y	N	Y
3 Jobansen	Y	Y	Y	N	39 Ostertag	Y	Y	Y	Y	4 Durno	Y	Y	Y	Y	1 Peterson	Y	Y	N	Y
11 Knox	?	?	Y	Y	42 Pillion	Y	Y	Y	N	1 Norblad	Y	Y	N	Y	VERMONT				
2 Meader	?	?	Y	Y	34 Pirnie	?	?	Y	Y	PENNSYLVANIA					AL Stafford	Y	Y	N	Y
Detroit - Wayne County					35 Riehlman	?	?	Y	Y	25 Clark	?	?	N	Y	VIRGINIA				
13 Diggs	Y	Y	N	Y	37 Robison	?	?	N	Y	4 Abbiatt	?	?	Y	N	Y	Y	Y	Y	Y
15 Dingell	Y	Y	N	Y	28 St. George	Y	Y	Y	N	21 Dent	?	?	?	?	1 Downing	Y	Y	N	Y
17 Griffiths	Y	Y	N	Y	36 Taber	Y	Y	Y	N	11 Flood	?	?	?	?	3 Gary	?	?	Y	Y
16 Lesinski	?	?	N	Y	38 Weis	Y	Y	N	Y	30 Holland	Y	Y	N	Y	2 Hardy	?	?	N	Y
1 Nedzi	?	?	N	Y	29 Wharton	Y	Y	Y	N	28 Moorhead	Y	Y	N	Y	7 Harrison	?	?	Y	Y
14 Ryan	Y	Y	N	Y	New York City					26 Morgan	Y	Y	N	Y	9 Jennings	Y	Y	N	Y
MINNESOTA					5 Addabbo	?	?	N	Y	14 Rhodes	Y	Y	N	Y	8 Smith	Y	Y	Y	Y
8 Blatnik	Y	Y	N	Y	8 Anuso	?	?	N	Y	15 Walter	Y	Y	N	Y	5 Tuck	Y	Y	Y	Y
4 Karth	Y	Y	N	Y	24 Buckley	?	?	N	Y	29 Corbett	Y	Y	N	Y	10 Brodyhill	Y	Y	Y	Y
6 Marshall	Y	Y	N	Y	12 Carey	?	?	N	Y	8 Curtin	Y	Y	Y	Y	6 Poff	Y	Y	Y	Y
7 Andersen	Y	Y	Y	N	11 Celler	?	?	N	Y	9 Dague	Y	Y	Y	N	WASHINGTON				
5 Judd	Y	Y	Y	Y	7 Delaney	?	?	N	Y	12 Fenton	Y	Y	N	Y	3 Hansen	?	?	N	Y
9 Langen	Y	Y	Y	Y	19 Farbstein	?	?	N	Y	27 Fulton	Y	Y	Y	Y	7 Magnuson	?	?	?	?
3 MacGregor	Y	Y	Y	Y	23 Gilbert	?	?	N	Y	23 Gavin	Y	Y	Y	Y	5 Horan	?	?	?	?
2 Nelsen	Y	Y	Y	Y	22 Healey	?	?	N	Y	19 Goodling	Y	Y	Y	Y	4 May	Y	Y	Y	N
1 Quie	Y	Y	N	Y	6 Rosenthal	Y	Y	N	Y	24 Kearns	Y	Y	Y	Y	1 Pelly	Y	Y	Y	N
MISSISSIPPI					10 Kelly	?	?	N	Y	7 Milliken	Y	Y	N	Y	6 Tollefson	Y	Y	N	N
1 Abernethy	Y	Y	Y	Y	9 Keogh	?	?	N	Y	16 Kunkel	Y	Y	Y	Y	2 Westland	Y	Y	Y	N
6 Colmer	Y	Y	Y	N	13 Multer	?	?	N	Y	22 Saylor	Y	Y	Y	Y	WEST VIRGINIA				
3 Smith	?	?	Y	N	16 Powell	?	?	N	Y	17 Schneebeli	Y	Y	Y	Y	3 Bailey	?	?	N	Y
2 Whitten	Y	Y	Y	N	14 Rooney	Y	Y	N	Y	13 Schweiker	Y	Y	Y	Y	4 Hechler	Y	Y	N	Y
4 Williams	Y	Y	Y	Y	20 Ryan	Y	Y	N	Y	10 Scranton	Y	Y	Y	Y	5 Kee	Y	?	N	Y
5 Winstead	Y	Y	Y	N	18 Santangelo	Y	Y	N	Y	20 Van Zandt	Y	Y	Y	Y	6 Slack	Y	Y	Y	N
MISSOURI					21 Zelenko	?	?	N	Y	18 Whalley	?	?	Y	N	2 Staggers	Y	Y	Y	N
5 Bolling	Y	Y	N	Y	25 Fino	?	?	N	Y	Philadelphia City					1 Moore	Y	Y	Y	N
9 Cannon	Y	Y	N	Y	4 Halpern	?	?	N	Y	1 Barrett	?	?	N	Y	WISCONSIN				
6 Hull	?	?	Y	N	17 Lindsay	?	?	N	Y	3 Byrne	Y	?	N	Y	9 Johnson	Y	Y	N	Y
8 Ichord	?	?	Y	N	15 Ray	Y	Y	Y	N	2 Granahan	?	?	N	Y	2 Kastenmeier	Y	Y	N	Y
10 Jones	?	?	N	Y	NORTH CAROLINA					5 Green	Y	Y	N	Y	5 Reuss	Y	Y	N	Y
1 Karsten	Y	?	N	Y	9 Alexander	Y	Y	Y	N	4 Nix	Y	Y	N	Y	4 Zablocki	Y	Y	N	Y
11 Moulder	Y	?	N	Y	1 Bonner	Y	Y	Y	Y	6 Toll	Y	Y	N	Y	8 Byrnes	Y	Y	Y	Y
4 Randall	Y	Y	N	Y	4 Cooley	Y	Y	N	Y	RHODE ISLAND					7 Laird	Y	Y	Y	N
3 Sullivan	Y	Y	N	Y	2 Fountain	Y	Y	N	Y	2 Fogarty	?	?	Y	N	10 O'Konski	Y	Y	Y	N
2 Curtis	?	?	Y	N	3 Henderson	Y	Y	N	Y	1 St. Germain	?	?	N	Y	1 Schadeberg	Y	Y	Y	N
7 Hall	?	?	Y	N	8 Kitchin	Y	Y	Y	Y	SOUTH CAROLINA					3 Thomson	Y	Y	Y	N
MONTANA					6 Kornegay	Y	Y	N	Y	4 Ashmore	Y	Y	N	Y	6 Van Pelt	Y	Y	Y	N
1 Olsen	?	?	Y	N	7 Lennon	Y	Y	Y	Y	3 Dorn	Y	Y	N	Y	WYOMING				
2 Battin	?	?	Y	N						5 Hemphill	Y	Y	N	Y	AL Harrison	Y	Y	Y	N

Democrats in this type; Republicans in Italics

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The Week In Congress

Trade Bill The House June 28 gave President Kennedy a major victory by passing his Trade Expansion Act by a large majority. The 298-125 vote to pass the bill followed defeat, by a vote of 171-253, of a motion to recommit the bill and extend existing law for one year -- giving the President virtually no power to cut tariffs. The wide margins of the President's victory were partly explained by the fact that the bill had bipartisan support all along. The President had called the Trade Expansion Act the single most important item in his 1962 legislative program. (Page 1083)

Defense Contracts

Who gets defense contracts in the missile age? A Defense Department report released June 23 showed a major shift in contract awards since the Korean War from the Midwest to Southern and West Coast states. The report related the geographic shift to revolutionary changes in weaponry -- away from the mass production of conventional weapons to research and development of missiles and electronics. A Congressional Quarterly fact sheet studies the Pentagon's main findings. (Page 1104)

Floor Action

Bills extending the Defense Production Act for two years and most existing federal corporate and excise taxes for one were cleared for the President's signature.... Reactions were varied to House defeat of the farm bill.... Both chambers passed a measure extending the life of the Export Control Act.... The Senate passed the Sugar Act and military construction bills, and the House authorized \$36 million for vaccinations programs for children. (Page 1083-94)

In the Committees

The Joint Atomic Energy Committee reported the AEC authorization bill.... The debt limit extension was reported to the Senate.... Two Administration crime bills were reported to the House.... Hearings were held on an omnibus conflict-of-interest bill.... The Billie Sol Estes hearings continued with many related developments.... The Supreme Court, 6-1, held official recitation of prayers in New York public schools unconstitutional. (Page 1095, 1106)

Roll-Call Votes

SENATE: Export controls, Sugar Act extension, p. 1117.

HOUSE: Defense Production Act, Export controls, Trade Expansion Act, p. 1118.

Federal Grants to States

Billions of dollars every year go from the Federal Government to state and local governments and to individuals for such programs as highway construction, unemployment compensation, old-age assistance and farm assistance. States share in grants-in-aid programs in various proportions, depending on need, population, and other factors. Congressional Quarterly's survey of 1961 grants-in-aid reviews the flow of money from federal to state governments and identifies each state's share. (Page 1108)

Republican Primary Trends

The "moderate Republicanism" of the Eisenhower era has triumphed in the majority of Republican party primary contests between party moderates and conservatives held so far in 1962, according to a Congressional Quarterly survey. The survey showed that of 23 contests, the "liberal-moderates" had won 15 and the "conservatives" only 8. The developing pattern suggests that the forthright conservatism of Sen. Barry Goldwater (R Ariz.), while popular in many Republican circles, has not been accepted by the party as a whole. (Page 1101)

Politics

In the first Congressional redistricting court test since the Supreme Court's Tennessee reapportionment decision, a federal court in Atlanta June 20 refused to interfere with the state's Congressional districts, despite gross population inequalities... A conservative won the South Carolina 2nd District House run-off.... There were no surprises in North Dakota primary voting.... Speculation developed in South Dakota over successor to late Sen. Francis Case (R).... The New York Liberal party decided not to back Gov. Nelson A. Rockefeller and Sen. Jacob K. Javits (R) in 1962, despite their liberal leanings. (Page 1098-1100)